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MANUEL LUJAN, JR. NOMINATION

HEARING

BEFORE THE

COMMITTEE ON
ENERGY AND NATURAL RESOURCES
UNITED STATES SENATE

ONE HUNDRED FIRST CONGRESS

FIRST SESSION

ON THE

NOMINATION OF MANUEL LUJAN, JR., TO BE SECRETARY OF THE INTERIOR

JANUARY 26, 1989

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MANUEL LUJAN, JR. NOMINATION

THURSDAY, JANUARY 26, 1989

U.S. Senate,
Committee on Energy and Natural Resources,
Washington, DC.

The committee met, pursuant to notice, at 9:37 a.m. in room SD-366, Dirksen Senate Office Building, Hon. J. Bennett Johnston, chairman, presiding.

OPENING STATEMENT OF HON. J. BENNETT JOHNSTON, U.S. SENATOR FROM LOUISIANA

The Chairman. The committee will come to order.

The purpose of the hearing this morning is to consider the nomination of Manuel Lujan, Jr., of New Mexico, to be Secretary of the Interior.

For the past 20 years Manny Lujan, as he is known well and affectionately to us, has served as a member of the U.S. House of Representatives.

During all or a portion of this period, he has served as a member of the Committee on Interior and Insular Affairs, the Joint Committee on Atomic Energy, and the Committee on Science, Space and Technology. He served as the ranking member for several years on both the Interior Committee and the Science Committee.

So Congressman Lujan comes before us today as well acquainted with a number of the major issues which will confront him at the Department of Interior. I should say with virtually all of those issues, that we have worked on together for so many years.

We sometimes forget the enormity of the responsibility which rests on the shoulders of the Secretary of the Interior. He or she is the steward of our national and our natural heritage, charged with the protection of our richest treasures as a nation.

Our children and grandchildren, all Americans present and future, must rely upon the Secretary of the Interior to safeguard our public lands and their wildlife and to preserve our precious natural environment, while wisely managing the development of coal, oil, and gas, as well as other renewable resources.

This adds up to a complex and difficult job, one which leaves no room for partisanship or inflexible ideological motives. No area of public policy has a richer tradition of bipartisanship than the history of the conservation movement in this nation.

It is my sincere hope that Congressman Lujan will continue this tradition of bipartisanship. In this regard, I would like to share a thought with Congressman Lujan and the members of the committee. Throughout the 1960's and 1970's, virtually every bureau chief within the Department of the Interior was a career professional. During the last eight years, political appointees have been placed in almost every one of these positions at the Department.

I hope we can count on you, Congressman Lujan, to reverse what I see as a dangerous trend in the Department and to seek the good judgment and counsel of the large cadre of career resource managers and other professionals you have throughout the Department of the Interior.

Finally, Congressman Lujan, when I came to the Senate in November of 1972 this committee's predecessor, the Committee on Interior and Insular Affairs, chaired at that time by the late great Scoop Jackson, had 16 members. Only one was from a state lying east of the 100th meridian. Today the committee has 19 members and a majority of the committee comes from non-public lands states.

I say this only to underscore the enormous complexity and breadth of the job which you are about to undertake. You not only deal with the West and western problems, although those are certainly central concerns to many of my colleagues from the West, but you are also responsible to all Americans in all parts of the country.

I have met with you in my office and feel confident that you can do a professional and responsible job at the Department of the Interior. I would have known that before our conversations, but feel reassured after those conversations.

I look forward to your testimony today and, frankly, look forward with real pleasure to voting for your confirmation, almost no matter what you say. [Laughter.]

Which I say "almost" because I like you that well.

Senator **Domenici**. Can we vote, Mr. Chairman?

The **Chairman**. Only after we hear from first my esteemed ranking minority member, Jim McClure.

STATEMENT OF HON. JAMES A. McCLURE, U.S. SENATOR FROM IDAHO

Senator **McClure**. Mr. Chairman, thank you very much, and I do want to join with you in welcoming an old friend to this committee, this time on the other side of the table and in a different capacity.

As you probably know, Mr. Chairman, Manuel and I served together in the House of Representatives 20 years ago. We both served on the Interior and Insular Affairs Committee, of that body. We had occasion then to work together and we have had occasion since to have an awful lot of contact and working relationship.

So Manuel is no stranger to this committee or the members of the committee who have been around for a while or to the issues that confront us.

Mr. Chairman, I have a prepared statement I would like to have included in the record in full. But I want to highlight just one matter, because you have touched on it in your opening remarks, and that is the changing complexion, not only of the committee, but of the issues that confront us.

But there is one durable issue for those of us from the West. Two-thirds of my State is owned by the Federal Government. And I want to go back over that for just a minute because I do not want anybody to miss that fact. Two-thirds of my State is owned by the Federal Government. And that means you, Mr. Secretary, are going to have a great deal to say about the day to day life of the people in my State, their economic and cultural and lifestyle opportunities.

And it is very important to us, as a result. As you probably know, our current Governor and former Governor of Idaho, Cece Andrus, who preceded you in that chair by some eight years, used to joke about that. He would give up being Governor of Idaho so he could become Secretary of the Interior, so he could control more of the State. And there is a certain logic to that, as a matter of fact.

It is not just you or the policies, but it is also your personnel, because the decisions that are made by officials of the Department of the Interior and the employees of the Department of the Interior are such that there are thousands of interactions every day between the Department of the Interior and their personnel and the citizens of my State.

Far too often in the past, that has grown to be confrontational, and that was one of the major reasons there was what became known as the Sagebrush Rebellion that, happily, is an historical footnote because the attitudes have changed and that relationship is no longer the confrontational one that it was found to be at an earlier time.

And I take the time of the committee today only so that people understand that it is more than just a parochial interest. It is a real personal interest on the part of those of us who do come from public lands states, and a real charge to you, Mr. Secretary, to maintain the attitude within the Department, that does not start just at your level, but permeates down to the lowest level in the Department; that must infect the attitudes of every employee of the Department of the Interior at the most remote post, no matter where it may be; that they are interacting with national policy, but they are also interacting with local concerns and individuals within our states.

I know you know that, but I think there are far too many people that do not know it or have forgotten it. And if there is one charge I have to you today, it is to make certain that we do not lose within the Department of the Interior the commitment that must be there always, certainly, to look after the stewardship of the national resources that are in our states, but never to lose the personal relationships that affects thousands of our citizens very intimately and very directly in our states.

I say that knowing that you know that as well as I do. I cannot tell you anything you do not know. But I do very much appreciate the fact that the President did make your selection, that you are before us.

I look forward to working with you in this new relationship, just as we have over the last 20 years.

Thank you very much, Mr. Chairman.

[The prepared statement of Senator McClure follows:]

STATEMENT OF SENATOR JAMES A. MCCLURE
ON THE NOMINATION OF MANUEL LUJAN
TO BE SECRETARY OF THE INTERIOR

MR. CHAIRMAN, I WOULD LIKE TO BEGIN BY WELCOMING MANUEL TO THE COMMITTEE TODAY. AS YOU PROBABLY KNOW, MANUEL AND I SERVED TOGETHER ON THE HOUSE INTERIOR AND INSULAR AFFAIRS COMMITTEE SOME TWENTY YEARS AGO, AND HAVE WORKED TOGETHER ON NUMEROUS OCCASIONS DURING HIS DISTINGUISHED CAREER REPRESENTING THE FIRST DISTRICT OF NEW MEXICO. I AM PLEASED THAT YOU ARE HERE TODAY AS PRESIDENT BUSH'S NOMINEE FOR SECRETARY OF THE INTERIOR. I EXPECT YOU TO BE CONFIRMED QUICKLY AND LOOK FORWARD TO A CLOSE WORKING RELATIONSHIP WITH YOU IN YOUR NEW POST.

I LOOK FORWARD TO THAT RELATIONSHIP NOT ONLY AS RANKING MEMBER OF THIS COMMITTEE, BUT AS A SENATOR FROM IDAHO. AS OF THE DAY YOU ARE CONFIRMED AND SWORN IN AS SECRETARY, YOU WILL BECOME ONE OF THE MOST IMPORTANT INDIVIDUALS TO MY STATE AND THE PEOPLE WORKING AND LIVING THERE. THE FEDERAL GOVERNMENT OWNS ALMOST 64% OF THE LAND IN IDAHO. THE BUREAU OF LAND MANAGEMENT ALONE ADMINISTERS NEARLY 12 MILLION ACRES. LITERALLY EVERY DAY, THERE ARE THOUSANDS OF INTERACTIONS BETWEEN THE PEOPLE OF MY STATE AND THE EMPLOYEES OF THE DEPARTMENT OF THE INTERIOR. THOSE OCCURRENCES MAY INVOLVE LOFTY DISCUSSIONS OF POLICY OR MUNDANE, BUT CRITICAL ADMINISTRATIVE ACTIONS. EACH IN ITS OWN WAY IS IMPORTANT.

I AM CONCERNED THAT TOO OFTEN THESE INTERACTIONS ARE CONFRONTATIONAL, RATHER THAN COOPERATIVE, EXCESSIVELY BUREAUCRATIC RATHER THAN EFFICIENT. I BELIEVE ONE OF THE MOST IMPORTANT THINGS WHICH YOU MUST DO IMMEDIATELY AS SECRETARY, IS TO REITERATE A

COMMITMENT TO WORKING IN A CONSTRUCTIVE AND COOPERATIVE WAY WITH THE STATES AND THE PEOPLE. MOREOVER, YOU MUST IMPRESS THAT MESSAGE ON THE PEOPLE WHO WORK FOR YOU NOT ONLY HERE IN WASHINGTON BUT ALSO IN THE SMALLEST OFFICE IN THE MOST REMOTE OUTPOST IN THIS LAND.

YOU KNOW THE ISSUES WHICH YOU ARE ABOUT TO FACE ARE TOUGH ONES, MADE TOUGHER IN TIMES OF SEVERE FISCAL CONSTRAINTS. WHETHER IT BE A CONTROVERSY REGARDING WATER RIGHTS, WILDERNESS, GRAZING, MINING, CREATION OF A NEW PARK, PRESERVING A HISTORIC BUILDING, OR ISSUING A SPECIAL USE PERMIT, A SOLUTION WILL BE FOUND MUCH MORE QUICKLY IF WE ALL LISTEN A LOT MORE AND LITIGATE A LOT LESS.

YOU ARE ABOUT TO BECOME THE STEWARD OF A VAST TREASURE OF NATURAL AND CULTURAL RESOURCES. WHILE YOU STRIVE TO MAINTAIN THE PROPER BALANCE BETWEEN DEVELOPMENT AND CONSERVATION OF THESE RESOURCES, DON'T FORGET THAT YOUR DECISIONS WILL HAVE IMPACT ON OUR GREATEST RESOURCE--OUR PEOPLE.

I LOOK FORWARD TO WORKING WITH YOU TO ASSURE THAT THE DEPARTMENT OF THE INTERIOR IS PART OF THE SOLUTION NOT PART OF THE PROBLEM IN MEETING THE CHALLENGES AHEAD.

The CHAIRMAN. Thank you very much, Senator McClure.

I think Idaho has made great strides toward self-government. I hope you will give it to them. [Laughter.]

Senator Conrad.

STATEMENT OF HON. KENT CONRAD, U.S. SENATOR FROM NORTH DAKOTA

Senator CONRAD. Thank you, Mr. Chairman, and welcome, Congressman Lujan. I very much appreciated the opportunity to visit with you the other day in your office, and I wanted to thank you publicly for the personal support you have given to a major water project in my State over the years, the Garrison Diversion Project. As you know, that is critically important to the economic future of my State.

Just to review a bit of history, in North Dakota we gave up 500,000 acres of prime bottom land to the Garrison Diversion Project in return for a promise from the Federal Government that we would have a million acres of irrigation in our State when the project was completed.

That was the promise. The promise has been broken. It has been broken repeatedly. In fact, the whole history of our water project is a trail of broken promises, ending most recently with the Reformulation Act which was virtually imposed on the State of North Dakota in 1986, with the final reduction in acreage to be irrigated to 130,000 acres.

Now, under that agreement the Federal Government promised that we would have certain municipal, residential, and industrial resources for water development in the State of North Dakota. And along comes the budget that was supposed to start implementing that agreement two years ago, and Garrison was virtually defunded, reduced to $2.5 million.

We were able, with the support of members of this committee, who were very supportive, to get that figure to $30 million. We were able to do that again last year.

Now, this year the Administration comes in and—not the Administration you are being asked to serve, but another Administration—took us down to $8 million once again.

I have just returned from my State, and the level of anger at what is believed to be on a bipartisan basis an outright breaking of a sacred agreement between the Federal Government and our State is very deep.

And I am interested to know what you would say to the people of my State when the Federal Government has entered into, most recently under the Reformulation Act, an agreement that says, if you agree to reduce a project, we will promise a certain level of funding in return. What do you think we ought to go back and tell the people of my State?

The CHAIRMAN. Senator Conrad, if we may restrict our comments at this time to opening statements and then we will come back and do your questioning later.

Senator CONRAD. All right. Well, that is the question that I want to pose——

The CHAIRMAN. Let him think about that.

Senator CONRAD [continuing]. At the time that it is appropriate, and we will give you a little lead time to think about an answer, and I hope you have a good one. I am sure you will.

The CHAIRMAN. Thank you, Senator Conrad.

Senator Murkowski.

STATEMENT OF HON. FRANK H. MURKOWSKI, U.S. SENATOR FROM ALASKA

Senator MURKOWSKI. Thank you, Mr. Chairman.

I have a statement which I would like to have entered into the record.

I would like to join my colleagues in welcoming you, Congressman. As you are all probably aware, my State of Alaska is approximately 60 percent owned by the Federal Government. So we welcome you as our landlord, Congressman. And I do not have to go through any statistics to remind you that the public land in the State of Alaska is equal to probably one and a quarter to one and a half times the size of Texas—I do not see any of my Texas colleagues here—I think a little better than four times the size of Idaho.

You are looking at a huge land mass with not too many people in it. There is a lot of room for growth in Alaska. We have some parks in the interior in the Arctic area where most of the visitors realistically are the Park Service personnel.

So as you look at your budgets in those areas, you might consider the merits of that. But I will not dwell on that, because that may raise the ire of some of my friends out there in the audience as well. But indeed, the park system in Alaska alone is a significant responsibility.

I was particularly pleased with the Chairman's reference to the bipartisanship of the committee. I hope that extends to some of the issues that will be before the committee. I will not dwell on the issue of ANWR, but it is rather interesting to note that in the last month the nation for the first time exceeded oil imports from foreign sources by 50 percent.

And the significance of that I think has been delivered to the Mideast, and the Mideast stands ready at an appropriate time again to hold our nation hostage with regard to the price of oil.

Unfortunately, many Americans do not seem to react until the line is around the block at the gas stations. Then they come back and blame the government for not having acted and planned ahead. But that is another matter for another day.

I think your experience and background in the area of public lands, your service in the House, your particular expertise in recognizing that the resources on public lands can be developed in compatibility with the environment and the ecology, is a very important message to reinforce, that with new technology we can do a better job of developing those resources.

I will conclude my remarks by giving some reference to that. It was rather interesting to note that approximately a year ago in an area adjacent to Prudhoe Bay a field, an oil field, was brought in called Endicott. And the highest state of technology was utilized, and as soon as that field opened in February it became the tenth largest producing field in the United States at approximately 100,000 barrels a day.

The significance was, the field was developed by utilizing only 56 surface acres. And when you consider the acreage in Alaska, 565 million, you get some idea of the parameters.

And when you consider the merits of exploration of some of the public lands, you can capsulize that the technology indeed has a place and does provide a return, and that the national energy security of America very much is at stake in your recommendations to the Congress and my colleagues on this committee.

Mr. Chairman, I appreciate the opportunity to welcome the Congressman; and I certainly look forward to working with you. Thank you, Mr. Chairman.

[The prepared statement of Senator Murkowski follows:]

STATEMENT OF HON. FRANK H. MURKOWSKI, U.S. SENATOR FROM ALASKA

I want to thank the Chairman for promptly scheduling this hearing on such an important matter as the confirmation of the new Secretary of Interior. And I want to welcome Congressman Lujan, our Secretary Designate, to the Senate Energy and Natural Resources Committee.

Mr. Chairman, the Secretary of the Interior is extremely important to this country because he is responsible for the stewardship of our public lands. The Secretary of Interior is also extremely important to my state, the state of Alaska, because so much of Alaska, 216 million acres, is managed by the Department of the Interior.

I know that Congressman Lujan, through his distinguished service on the House Committee on Interior and Insular Affairs and as a westerner, understands the management of our public land resources and understands the special needs of the western states which enjoy both the benefits and burdens of having federal ownership of vast areas within their borders. Congressman Lujan is indeed emanently qualified to be our next Secretary of the Interior.

Mr. Chairman, the next Secretary of the Interior will face some very difficult questions in the coming years. More than ever, we now need a balanced approach to public land management. In addition to caring for our magnificent National Parks and other recreation resources the Department of Interior must find ways to put our public resources to work for the benefit of our economy and National Security.

Mr. Chairman, the United States is once again becoming dangerously dependent on imports for many of the commodities critical to the nation's economic and military security. And many of these commodities could be produced right here at home on the nation's public lands.

For the first half of 1988, U.S. oil imports accounted for over 41% of domestic consumption—up dramatically from 31% only 3 years ago. But it is not only imports that have increased.

Mr. President, the sources of our increasing crude consumption should be of great concern to us all. During August 1988, imports from the Persian Gulf amounted to over 20% of total U.S. crude imports—compared with 3% in 1985. In addition, at roughly the same time the U.S. received 173,000 barrels of crude oil perday from Angola.

Finally in December of this year, for the first time in history, oil imports exceeded domestic production of crude oil in the U.S.

Important decisions about the use of our public lands on the OCS and in ANWR will hopefully do much to help stem the rising tide of crude oil imports. We need to help avoid future oil shortages by opening access to the nation's most promising areas for new oil development.

Mr. Chairman, we must also look closely at our growing dependence on foreign sources for other critical materials. Despite our nation's vast natural resource wealth, many important minerals are unavailable in the U.S. in sufficient quantities to meet our needs. In fact, Mr. Chairman, our dependence on foreign sources of strategically critical minerals exceeds our dependence on imported crude oil.

We are dangerously dependent upon the Soviet Union for many of our strategic minerals, U.S. dependence on the Soviet Union for platinum could rise to 30%, for rhodium to 66%, and for palladium to 60%. We are dependent on foreign sources for 82% of the chromium used to produce stainless steel and other products, and the Soviet Union is becoming our major source of supply.

The point is, Mr. Chairman, that while the U.S. was able to find ways in the past to meet its need for critical minerals and energy resources during times of crisis, it is not clear that we will be able to do this in the future. An ambitious program of exploration and development of the resources contained on our public lands could greatly help our energy and mineral security.

Obviously, resource development on the public lands must be balanced with other uses and must be accomplished with the greatest environmental sensitivity. But it is imparative that we move forward with the development of our resources if we are to compete as a nation and sustain ourselves in a time of crisis.

The CHAIRMAN. Thank you very much, Senator Murkowski.

We would like to welcome back to the committee Senator Rockefeller, who took a brief sabbatical and is now back with us. Senator Rockefeller.

STATEMENT OF HON. JOHN D. ROCKEFELLER IV, U.S. SENATOR FROM WEST VIRGINIA

Senator ROCKEFELLER. Thank you, Mr. Chairman. I was about to welcome myself back if you had not done that. I do not know how you got along during these two years without me.

The CHAIRMAN. Very tough.

Senator ROCKEFELLER. But I am delighted to be back with you and with the distinguished ranking member, Senator McClure, and I hope to be able to contribute to this extremely important committee.

I have an opening statement which I will put in the record.

I had a good talk with the Secretary-Designate yesterday. I have a number of questions that I do want to ask him, but I will wait until that time comes.

Thank you, Mr. Chairman.

[The prepared statement of Senator Rockefeller follows:]

Statement of Senator Rockefeller on Manuel Lujan

Mr. Chairman, distinguished members of the Committee, I would like to take just a moment to say how glad I am to again be on the Energy and Natural Resources Committee. As many of you may know, I served on the Committee in 1985 and 1986.

From his years on the the Interior Committee, Mr. Lujan is certainly well aware of the major issues facing the Department of Interior. From our discussion earlier in this week I am confident that he will be a conscientous guardian of our nation's natural resources. There are many controversial issues that will come before him as Secretary. I am sure that he can be counted on the keep an open mind when making decisions that will impact resources that are so vital to our nation.

As I discussed with Mr. Lujan, a key component of West Virginia's economic development is tourism. Tourism is currently the third laregest employer in the state. To help ensure that the tourism industry continues to grow we must not only conserve the resources and beauty of the state, we must also enhance and promote these natural attributes. As I have done in the past, I will be calling on the National Park Service to assist West Virginia in this endeavor.

I am troubled by some last minute proposals that the previous administration made regarding some very sensitive mining issues. These issues warrant careful deliberation and I feel that these hasty last minute decisions should not be binding on the new Administration.

Of particular concern to me is the impact one of these last minute decisions will have on the New River National Gorge River. Should this proposal proceed, mining would be permitted in this magnificent unit of the National Park system. This would be a travesty. I am hopeful that Mr. Lujan will reconsider these decisions which would have such a potentially negative impact.

On these issues and many others impactng our nation's resources, I look forward to working with Mr. Lujan and the new Administration.

The CHAIRMAN. Senator Burns.

STATEMENT OF HON. CONRAD BURNS, U.S. SENATOR FROM MONTANA

Senator BURNS. Thank you very much, Mr. Chairman. And this is my first session with this committee and I want to appreciate all the hospitality that has been shown to me. And under leadership and Senator McClure, I am looking forward to my work on this committee.

Congressman Lujan, it is nice to have you here and to welcome you here as a fellow westerner and a man that I think, after going over the reading and after I met you in my office, understands those lands that are held in public trust.

I have some questions. In the interest of time, I have my questions here, but I wanted to welcome you. And I wanted to recognize the Honorable, your Senator sitting next to you. But I am looking forward to this work and looking forward to working with you. And yes, we can take a vote as far as I am concerned.

The CHAIRMAN. Thank you, Senator Burns.

Senator Metzenbaum.

Senator METZENBAUM. I have no opening statement. I am happy to welcome the Secretary-Designate.

The CHAIRMAN. An old hand, but a new member of the committee, is Senator Garn, whom we also welcome to the committee, along with the new hand, Senator Burns. Senator Garn.

STATEMENT OF HON. JAKE GARN, U.S. SENATOR FROM UTAH

Senator GARN. Thank you, Mr. Chairman. As I said yesterday, it is kind of nice to be junior and sitting way over here. It has been so many years since I was junior on a committee, it makes me feel young again, as long as I do not look into the mirror.

Manny, I am pleased to welcome you here today. As you well know, you have taken on a big responsibility. I would only add to what Senator McClure has said about the importance of the Department of the Interior to western states.

It is fine for everybody to philosophize and talk about how these are public lands owned by everybody in the United States, and that is nice and I agree with that. I wish every one of my colleagues in both the House and the Senate could experience what it is like to have a little bit more than two-thirds of your State, a little more than Idaho, a little more than Alaska, owned by the Federal Government.

And we have experienced over the years sometimes an incredible arrogance, an arrogance of power, for those who settled the land, in some cases when it was not even part of the United States, and homesteaded it and tried to eke out a living in a very dry, arid State—Utah is also the second most arid State in the entire country, besides being the second in public land ownership—and having a Governor that does not have much control, or a legislature, or having some minor officials in the Department of the Interior determine what your jobs are, what your livelihood is going to be, whether you are going to have water on that land or not.

Some of my eastern colleagues, short of being able to remove that public land ownership, I would like to have their states owned two-thirds, because it is so easy to sit back and pass judgments on a national basis.

You take two-thirds of the State of Pennsylvania and put it into public ownership and my colleagues, the Senators from Pennsylvania, Senator Specter and Senator Heinz, would have a very quick education in what it was like to try to keep the economy of the State going and have jobs for your children and grandchildren, so they do not have to move to another state where there is opportunity.

I cannot emphasize enough how important it is what Senator McClure has said and how, without the cooperation and some balance and some reason by some of these do-gooders, particularly who reside inside the Beltway, with their two-piece suits and three-piece suits and all that sort of thing, who want to tell those of us who have lived out there for generations how we run our states, there is going to be another Sagebrush Rebellion.

I will guarantee it. I will be one who will lead it. So Jim McClure is always nicer than I am and more pleasant. But that was kind of fun. That was kind of fun, to participate in that, and some of us are ready to go again.

So this is not for you, and I am tickled that we do have a westerner. And I think, to be very candid about it, if the President had proposed an easterner, no matter who he was, I think I probably would have opposed the nomination just on the basis of geography and lack of understanding of a public land state, how you try to eke out a living and keep a population going and jobs for your people.

So this message is not for you. I am kind of enjoying the thought that, if we do not have the cooperation—those Sagebrush years were kind of fun, stuffing it down the throats of some of those arrogant, egotistical, inside the Beltway people, some of them who are sitting out here today.

Thank you, Mr. Chairman. [Laughter.]

The **Chairman**. Be forewarned. [Laughter.]

We are happy to welcome our good friend and colleague, Howell Heflin, to the committee. Would you like to make an opening statement, Senator Heflin?

STATEMENT OF HON. HOWELL T. HEFLIN, U.S. SENATOR FROM ALABAMA

Senator **Heflin**. Well, I am delighted to be here. A dispute between the East and the West can always be compromised with a southerner. [Laughter.]

But I am new to this committee and have to go through the learning process, and I am sitting at the feet of the masters. And so I will be listening more than I am talking for a while, and then I may get my motor lips going a little bit.

Of course, I have met the Designate and we enjoyed talking with him and he seems to have his feet on the ground. And I notice that he has got a background in Congress, so he comes to the executive branch with an advantage. And do not lose that advantage.

We are pleased to appear here and hear the testimony, and we will be participating. Thank you very much. I am delighted to be on this committee.

The CHAIRMAN. Thank you, Senator Heflin.

Our resident water expert is Senator Malcolm Wallop from Wyoming. He is also behind all those fires in Yellowstone. [Laughter.]

STATEMENT OF HON. MALCOLM WALLOP, U.S. SENATOR FROM WYOMING

Senator WALLOP. Mr. Chairman, thank you and good morning.

I must say, I did not anticipate all this controversy. I thought you would be confirmed by the time I got back here. And I guess I do not have a whole lot to add to what Jake said.

The Federal Government is a neighbor in Wyoming, sometimes a good neighbor, sometimes a bad neighbor. This summer it was an appallingly bad neighbor. It was careless of the concerns and health of the people of Wyoming, the economy of Wyoming.

Not that they could have stopped automatically the fires, but they could have shown some concern about what was happening to our people, our State, our economy, and all of that.

And there was none. They kept telling us we should be celebrating that once in 400 year event. Most of us did not have a celebratory nature and that was lost upon us.

I would also think that we have major water concerns. In the last Congress, there was a bill moving that would have in my judgment upset the Colorado River Compact for perhaps the next half century. And water, as you well know—I do not have to tell a westerner; it is one of the things I agree with Jake on.

The whole essence of water law, the whole purpose of it, is to provide some certainty. And to have tossed that boulder of uncertainty into the still pool as it exists, the law of the river as we have come to know it, would have been and will be catastrophic.

You cannot couht on populations growing, on industries growing, on agricultural stability or anything else, unless that stability is there.

So I know you well enough to know that I am comfortable with you going there, and I wish you all the best and look forward to working with you.

The CHAIRMAN. We are now ready for you to be introduced, and I would like to first call upon our esteemed colleague, your co-New Mexican, Jeff Bingaman.

STATEMENT OF HON. JEFF BINGAMAN, U.S. SENATOR FROM NEW MEXICO

Senator BINGAMAN. Mr. Chairman, since we have already had a few statements, I will try to keep mine short.

I am very honored to be here to help in the introduction of Congressman Lujan and to recommend him to the committee. I support his nomination very strongly, as do my colleagues, Senator Domenici and Congressman Skeen and Congressman Schiff.

I think you will find that Manuel Lujan is respected throughout New Mexico. His family is an extremely distinguished northern New Mexico family. The family has been involved in public service and politics for many decades and they have a proud record of public service. And I think his new position is very much in keeping with that proud record of public service.

Of course, the issues that will come before him that relate to the Department of the Interior are extremely important in our State as well. And for that reason and other reasons, he has had a very integral involvement in those issues while he has represented New Mexico here in Congress.

We also have a proud tradition of involvement from New Mexico in these issues. Senator Clinton Anderson took a leadership role in the time he was here in trying to see to it that conservation was a major national issue and that the Department of the Interior did its part in that effort.

I have worked on various bills with Congressman Lujan that affect our State directly: the Rounds Estate acquisition in Albuquerque, legislation establishing a Petroglyphs, nature park, the creation of the El Malpais Wilderness Area. Congressman Lujan was a co-sponsor and very active in support of each of these issues.

I would say just in closing that I think you will find that anyone who knows Manuel already knows that his approach to problem-solving is to try to work with people and it is not to engage in posturing or needless confrontation. I think he is anxious to seek solutions to the difficult problems that face the Department.

I think he will perform very well as the Secretary of the Interior and I am very honored to be here to support him.

[The prepared statement of Senator Bingaman follows:]

STATEMENT BY SENATOR JEFF BINGAMAN
MANUEL LUJAN NOMINATION TO DEPARTMENT OF INTERIOR
JANUARY 26, 1989

Mr. Chairman, fellow members of the Committee, it gives me a great deal of pleasure to join Senator Domenici in introducing to the Committee a good friend and former colleague for whom I have great respect and trust.

I congratulate President Bush for having nominated Manuel Lujan to serve as Secretary of Interior, the steward of our nation's public lands. Manuel's long and distinguished career in the House of Representatives which he served for many years as ranking member of the Interior and Insular Affairs Committee gives him the experience and knowledge to appreciate the tremendous responsibility he has been given.

He reflected that sense of responsibility when he acknowledged immediately upon accepting the appointment that even one acre of our public lands at risk was too great a risk to take.

Clearly, Manuel understands the importance of our national treasure -- our public lands. New Mexico is one of the great public lands states of the West and we in the Land of Enchantment pride ourselves for preserving and protecting these lands.

This protective legacy was begun, in large part, under the leadership of another New Mexican, Senator Clinton Anderson when he chaired the Senate Interior Committee during the 1960's in what has been called the Conservation Congress. Senator Anderson led the fight for legislation creating our national wilderness system and the Land and Water Conservation Fund. Manuel is ably qualified to carry on in that tradition.

Manuel is from a Northern New Mexico family that has distinguished itself in public service. He continues that fine tradition.

Manuel inherits a Department that has in many ways, lost the trust of the American people through policies that raise questions about our government's commitment to protect and preserve our lands. Under Manuel's leadership, I think the Department will find its way and once again earn the public's trust.

It has been an honor to have served with him in the Congress for the past six years. I have witnessed his commitment to finding the important balance between multiple use management and public lands protection. I know he will give us the leadership at the national level required to maintain that proper balance.

Members of the Committee, as a New Mexican, I share the pride of my fellow citizens in New Mexico in the nomination of Manuel Lujan to be Secretary of the Interior. I urge your support and swift action on his nomination.

The **Chairman**. Thank you very much.

Congressman Lujan, I am now going to call on Senator Domenici, an old friend and a valued member of this committee, whose platform is to move the capital to New Mexico and, if that is not possible, then the Federal treasury. [Laughter.]

STATEMENT OF HON. PETE V. DOMENICI, U.S. SENATOR FROM NEW MEXICO

Senator **Domenici**. Well, thank you very much, Mr. Chairman and Senator McClure. And let me say, of the two I will choose the treasury.

Senator **Wallop**. It is broke.

Senator **Domenici**. Well, we do not act like it. So whatever we are going to spend, we would like you to spend it in New Mexico.

Let me say first of all that for you who witnessed the New Mexico delegation prior to the formal setting up of this meeting, you saw some excited people. And if we look that way, it is because we are. And we are. We are very proud in the New Mexico delegation, those of us who are here, and I venture to say literally every New Mexican is very, very proud of this day.

We are proud of the President for having sent one of New Mexico's true public servants and one of our own here to be on the Cabinet. It has been a long time. We have not had a Cabinet member since Clinton P. Anderson was Secretary of Agriculture under President Truman.

And so it is an exciting day. I say he sent one of our own because the Lujan family, as my friend and colleague Senator Bingaman indicated, is a very, very longstanding family in New Mexico.

As a matter of fact, I think they must have had trouble deciding which Lujans would come to this hearing, because when I first started campaigning with Congressman Lujan, I might say, Mr. Chairman and Senator McClure, that I concluded after about six months that there were really three parties in New Mexico—Democrats, Republicans, and Lujans—because he had such a reputation that those who were related were quick to say it and those who even thought they might be related claimed it.

His father, Senior, as you might suspect, would be very proud today because he passed on, perhaps not by way of genetics but by way of an upbringing, he passed on the two things that were dear to him, and that is integrity and stewardship. And this man that I hope we are going to confirm quickly, our friend, has both of those.

In addition, we are proud that President Bush sent us a Lujan because in our State and across America everyone knows that is an Hispanic name and an Hispanic family. And he does not want to be known as a Cabinet member because of his ancestry, but because he is qualified.

But he is very proud that he is a role model for Hispanics in America, and he will continue to be as he serves us after we have confirmed him, hopefully.

I just want to say that I agree with my colleague. I do not think he is going to have a difficult job resolving difficult issues, because he will resolve them in a decent and amicable manner, and those who have the issue resolved unfavorable to them will know they have had a fair opportunity to be heard, and he will do it right.

I come here today, as I indicated, excited personally and very proud. We were chatting before, we never thought we would be here sitting together with our dear friend, soon to be a Cabinet member.

So with everything I can submit to this committee and to my colleagues whom I have known for many years—he preceded me by four years in the national government and I have learned from him and we have worked together—I truly believe he will do us proud.

I have a letter from the Governor of the State. I would ask you, Mr. Chairman, if you could make it a part of the record.

The CHAIRMAN. Without objection.

[The letter referred to follows:]

GARREY CARRUTHERS
Governor

OFFICE of the GOVERNOR
State of New Mexico
Santa Fe 87503

January 25, 1989

The Honorable Bennett Johnston
Chairman
Senate Energy and Natural
  Resources Committee
Dirksen Senate Office Building
Washington, DC 20510

Dear Mr. Chairman:

This letter is to highly recommend the Honorable Manuel Lujan, former member of Congress as the next Secretary of the Interior. His service to our country and to New Mexico includes a long stint on the House Interior Committee.

He will always be on top of Interior issues. It was during his service on that committee and mine as Assistant Secretary of the Interior, that I began to fully appreciate the Congressman's depth of knowledge on all Interior matters, not just those affecting New Mexico. He comes to the job fully cognizant of the gravity of the issues, and the importance of listening to the myriad of external groups who serve as the official and unofficial advisors to Interior. He has wrestled with issues ranging from wilderness, to coal leasing, to drilling the "Alaska Natural Wildlife Refuge", to parks and monuments, and Indian land claims. It would be tough to find a person (who has not served in Interior) more knowledgeable of the major public policy issues which are consistently there, year after year.

In New Mexico, we say Manuel Lujan walks among "la gente" -- he walks among the people. He is a very popular New Mexican who, when elected to the Congress, dedicated his tenure in that body to service to his constituents. He returned all of his phone calls and comforted many who could not otherwise touch this federal government. He is a role model - not only as a public official - but especially for Hispanic Americans who hopefully will follow in his footsteps.

I visited with the FBI as they investigated the Congressman. I told them I had known this man for years and, proudly, could not think of, nor had I heard of, a negative. I doubt if any negatives exist -- he is a gentleman, a loyal New Mexican and a great American. Please confirm him - he will more than confirm your faith in him thru great service as Secretary of the Interior.

Thank you for hearing my views.

Sincerely,

Garrey Carruthers
Governor

GC/ch

Senator **Domenici**. I would, with your permission, just read two sentences:

> In New Mexico, we say that Manuel Lujan walks among "la gente"—that is, he walks among the people. He is a very popular New Mexican who, when elected to Congress, dedicated his tenure to service to his constituents. He returned all of his calls and comforted many who were not otherwise touched by the federal government. He is a role model, not only as a public official, but especially for Hispanic Americans who hopefully will follow in his footsteps.

Thank you very much.

The **Chairman**. Thank you very much, Senator Domenici.

Next we are happy to welcome to the committee Congressman Joe Skeen, one of the colleagues from New Mexico.

STATEMENT OF HON. JOE SKEEN, U.S. REPRESENTATIVE FROM NEW MEXICO

Mr. **Skeen**. Thank you, Mr. Chairman and members of the committee. I am delighted to be here and I want to associate myself with the remarks that have already been made in a laudable fashion to my colleague Manuel Lujan.

I have to confess to some conflict because I am a member of the family. We have known each other that long. In New Mexico, we all become members of the family because we admire one another, we all know one another. With a million and a half people, not as sparse maybe as Alaska, but we have a very strong association.

I have known Manuel for a number of years. We have been associated in politics. I have admired him greatly. But I had not had the great opportunity to work with Manuel, to study with him closely and on legislative matters and the way he makes decisions and so forth, until the last eight years when we served together in the Congress.

I have to tell you that my admiration, boundless as it was before, increased, because I have met a man who has the great ability to be inquisitive in knowledge, not particularly based in formal education so far as some of the sciences relating to land management and things of this kind and the environmental needs and so on, but a man who has the ability that what he does not know, he seeks that knowledge and acquires it.

He has done this very, very well. As a case in point, I would like to—this business always comes up as environmentalists against users, and I have always been amazed that they are not one and the same, because environmental interests and land user interests are one and the same.

I think Manuel has maintained that balance and maintained it very well. And the case in point that I would like to mention is the solution to some terrible environmental problems that we have in the United States today in regard to low level defense wastes and the Waste Isolation Pilot Project in New Mexico that I know the Chairman has been down to visit. I appreciated that, too.

But this gentleman, Manuel Lujan, knows that there are some scientific answers to environmental problems and we have to seek them, and we cannot deny the technology that this country is built on by refusing to face up to the fact that there are answers that we must seek.

His support and his knowledge and his understanding for the Waste Isolation Pilot Project in Carlsbad, New Mexico, is a good example of that. It is an answer and it is one that is dedicated to the main interest of safety, environmental safety, but human safety in these United States.

So I think that he has the approach of great balance and I would like to commend him to you because I think that he will make an outstanding Secretary of the Interior. And when he called me to tell me that he thought he would be announced as the nominee, my first reaction was: What in the hell did you do to deserve that kind of punishment?

Because it is a very responsible and punishing job, because to represent the interests that are required to be that Secretary is an awesome task in itself, because it involves almost the entire surface of the world, for the territories that we deal with.

So I commend him highly to you, admire him greatly, and it is a real pleasure for me to be part of this group this morning.

Thank you.

The CHAIRMAN. Thank you, Congressman Skeen.

Next we would like to welcome Steve Schiff, another one of your colleagues from New Mexico.

STATEMENT OF HON. STEVE SCHIFF, U.S. REPRESENTATIVE FROM NEW MEXICO

Mr. SCHIFF. Thank you very much, Mr. Chairman. It is an honor to be here before your committee.

My name is Steven Schiff. I represent the First District of New Mexico, and that is the district Manuel Lujan represented very capably here for 24 years. I ran for election promising to continue the record of Manuel Lujan, because the people of our district had chosen him for ten consecutive terms.

That record, as you know, includes being on the Interior Committee for the last 20 years and becoming its ranking Republican member. Further, he was the co-sponsor of several significant bills and numerous bills that set aside thousands of acres of New Mexico for wilderness area.

But I think most important, I have gotten to know the man himself, and I have been a state official in the State of New Mexico for the past eight years and I have worked with Manuel Lujan late at night when the cameras were not there and the lights were not there and you could really see the individual.

I was struck by the fact that he is willing to spend endless amounts of personal time in working with individuals with problems with government and listening to the different sides of issues before he reaches a conclusion.

I am personally convinced he will be an outstanding member of the Cabinet, and I am honored to be here today to speak in his behalf.

The CHAIRMAN. Thank you very much, Congressman Schiff.

Next and finally, Congressman Ben Blaz from Guam.

I also have a statement for the record from Congressman Bill Richardson, which I will put in the record at this point.

[The prepared statement of Mr. Richardson follows:]

STATEMENT OF CONGRESSMAN BILL RICHARDSON

CONFIRMATION HEARINGS ON THE SECRETARY OF THE INTERIOR

THANK YOU, MR. CHAIRMAN, FOR THE OPPORTUNITY TO TESTIFY ON THE CONFIRMATION OF MANUEL LUJAN, JR., FOR THE POSITION OF SECRETARY OF THE DEPARTMENT OF THE INTERIOR. I HAVE HAD THE PRIVILEGE TO SERVE WITH MR. LUJAN ON THE HOUSE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS AND KNOW HIM WELL AS A COLLEAGUE FROM NEW MEXICO. I BELIEVE THAT MR. LUJAN WILL MAKE A FINE SECRETARY OF INTERIOR AND FULLY SUPPORT HIS NOMINATION.

AS YOU KNOW, MR. LUJAN SERVED FOR TWENTY YEARS ON THE HOUSE INTERIOR COMMITTEE, FOR A TIME AS THE RANKING MINORITY MEMBER. FOR MOST OF HIS HOUSE CAREER, HE REPRESENTED A DISTRICT COVERING ONE HALF OF NEW MEXICO. HIS REPRESENTATION OF THIS DIVERSE DISTRICT AND HIS SERVICE ON THE INTERIOR COMMITTEE GIVES HIM A BREADTH OF KNOWLEDGE THAT WILL SERVE HIM WELL AS THE SECRETARY OF THE INTERIOR. AS A NEW MEXICAN, MR. LUJAN IS ESPECIALLY FAMILIAR WITH WATER, ENERGY AND NATIVE AMERICAN ISSUES.

I THINK THAT ALL WHO KNOW HIM WILL AGREE THAT MR. LUJAN IS A DEDICATED PUBLIC SERVANT. AND WHILE HE HAS HIS OWN PHILOSOPHY, HE IS NOT AN IDEOLOGUE. I HAVE WORKED CLOSELY WITH MR. LUJAN AND HAVE ALWAYS FOUND HIM WILLING TO LISTEN TO ALL SIDES OF AN ISSUE WITH AN OPEN MIND AND ARRIVE AT A THOUGHTFUL REASONED DECISION.

DURING MY YEARS IN CONGRESS, I HAVE BEEN ACTIVE IN TRYING TO PROTECT MANY OF NEW MEXICO'S GREAT NATURAL RESOURCES. MR. LUJAN HAS BEEN SUPPORTIVE IN THESE EFFORTS. I HOPE AND EXPECT THAT HE NOW WILL NOT MERELY LEND SUPPORT, BUT LEAD THE EFFORT TO PROTECT OUR NATIONAL HERITAGE.

STATEMENT OF HON. BEN BLAZ, U.S. REPRESENTATIVE FROM GUAM

Mr. BLAZ. Good morning, Mr. Chairman.

Although I am not from New Mexico, I think you can see that I am a friend. And when you look around, I probably look more New Mexican than some of the chaps who are here.

I must make the observation that, after hearing the Senators talk about Federal land, I thought they were talking about Guam, and I appreciate all the sympathy that you all are going to manifest in the months to come when I present you with some difficult legislation on the question of Federal land.

Mr. Chairman, it is with great joy, honor, and privilege that I appear here. The Department of the Interior is known for its resources, energy, environment, land, parks, fish, lakes, endangered species. What is not well known is that one of its principal responsibilities is is the administration of people, almost from the cradle to the grave.

There is no other Department that has that responsibility the Secretary of the Interior has. We may consider changing it and calling it the "Secretary of Exterior," for on the periphery of the Republic are the flag territories. And this is the leader, this is the man that has enormous jurisdiction.

So I come to you to tell you that I yield to the others on the other considerations. I come here to speak on his behalf on the question of how do you administer fellow Americans offshore.

Mr. Chairman, you have been to Guam many times and the territories. Manuel Lujan has been to Guam. Would you believe this? I cannot recall, and I make it a point to recall, when the last Secretary of the Interior has visited the Territory of Guam.

The whole world is looking to that part of the world. That is the Pacific Basin. The whole world is looking. Guam is the turnstile to Asia. The Secretary of the Interior in years past has never chosen to put that on his refueling agenda, just to refuel if nothing else.

Senator Heflin paid us a tribute the other day, I mean a few months ago, and we took him to the site where he landed and the villagers came out to say, welcome home, Lieutenant Heflin of the Marines. Senator Johnston did the same thing and so did Senator McClure.

What I am telling you is that we have here a gentleman that does care. Let me give you an example. You wouldn't appreciate this because you already fulfilled your self-determination, you are not aspiring to that. But when we were talking to Manuel some years ago about the aspirations of the second class citizens of the flag territories, he said, why do you not all come to Albuquerque?

Twenty-five leaders of Guam made their way on a wintry—by the way, that was awful—wintry day to go to Albuquerque, in his living room. And he says, here is what you must do. And we did that. We now have the bill before the House, we will have a bill before the Senate, that was the outgrowth of that.

So I come here, and I am sure representing not only the Governor of Guam, the Speaker of the Legislature, the people of Guam, but the people of all the territories of the United States, when I say

I urge you to give favorable consideration and we applaud this appointment by the President resoundingly.

Thank you very much, sir.

[The prepared statement of Mr. Blaz follows:]

STATEMENT OF

CONGRESSMAN BEN BLAZ

ON THE NOMINATION OF THE HONORABLE MANUEL LUJAN JR. AS SECRETARY OF THE INTERIOR

BEFORE

THE SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES

JANUARY 26, 1989

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

I HAVE THE DISTINCT PRIVILEGE AND HONOR THIS MORNING TO TESTIFY IN SUPPORT OF THE NOMINATION OF A FRIEND AND DISTINGUISHED FORMER COLLEAGUE, THE HONORABLE MANUEL LUJAN JR. OF NEW MEXICO, FOR SECRETARY OF THE INTERIOR. CONGRESSMAN LUJAN'S LONG AND DISTINGUISHED CAREER IS A MATER OF PUBLIC RECORD. HE IS AN EXTRAORDINARY PERSON WITH A MYRIAD OF QUALIFICATIONS AND EXPERIENCE RANGING FROM RELIGIOUS ACTIVITIES TO CIVIC AFFAIRS AND POLITICS. BY VIRTUE OF HIS LONG AND ILLUSTRIOUS SERVICE IN THE INTERIOR AND INSULAR AFFAIRS COMMITTEE IN THE HOUSE, HE IS AS WELL PREPARED FOR THE JOB FOR WHICH HE IS NOMINATED AS ANYONE COULD BE. FOR THOSE OF US IN THE FLAG TERRITORIES, THIS IS PARTICULARLY WELCOMED, AND WE APPLAUD IT RESOUNDINGLY.

MR. CHAIRMAN, BECAUSE THE DEPARTMENT OF THE INTERIOR IS SUCH A MULTIFACTED DEPARTMENT, WHICH IS INVOLVED IN SUCH A WIDE VARIETY OF ISSUES AND CONCERNS, I SHOULD LIKE TO FOCUS MY REMARKS ON POSSIBLY THE LEAST KNOWN OF THE RESPONSIBILITIES OF THE SECRETARY BUT, IN A MANNER OF SPEAKING, THE MOST IMPORTANT. I AM, OF COURSE, REFERRING TO THE FACT THAT THE DEPARTMENT OF THE INTERIOR IS DIRECTLY RESPONSIBLE FOR THE ADMINISTRATION AND OVERSIGHT OF NOT JUST RESOURCES, LAKES, PARKS AND ENDANGERED SPECIES - BUT OF PEOPLE. IT HAS ENORMOUS JURISDICTION OVER AMERICANS ON THE PERIPHERY OF THE REPUBLIC - - THE FLAG TERRITORIES OF THE UNITED STATES.

BECAUSE OF THIS, IT IS ESSENTIAL, FROM OUR POINT OF VIEW IN THE

TERRITORIES, THAT WE HAVE SOMEONE AT THE HELM OF THAT COMPOSITE DEPARTMENT WHO UNDERSTANDS THE PLIGHT AND THE RIGHT OF FELLOW AMERICANS OFFSHORE.

MR. CHAIRMAN, YOU HAVE BEEN IN THE TERRITORIES QUITE A FEW TIMES; BUT THIS MAY SURPRISE YOU - - I CANNOT RECALL WHEN THE LAST SECRETARY OF THE INTERIOR VISITED THE TERRITORY OF GUAM - - RIGHT THERE IN THE MIDDLE OF THE PACIFIC BASIN. YET, IT HAS NOT BEEN THAT IMPORTANT TO INTERIOR. NOW, PRESIDENT REAGAN VISITED TWICE, AND PRESIDENT BUSH HAS BEEN THERE, BUT OUR LEADER AT INTERIOR HAS NOT VISITED IN YEARS AND YEARS. NOT ONLY HAS MANUEL LUJAN BEEN ON GUAM, HE IS, IN FACT, RETURNING IN A COUPLE OF WEEKS IN THE COMPANY OF CHAIRMAN MO UDALL ON A TRIP TO THE PACIFIC IN EARLY FEBRUARY.

MR. CHAIRMAN, MANY PEOPLE TALK ABOUT THE TERRITORIES. MANUEL LUJAN HAS DONE SOMETHING ABOUT IT. A FEW YEARS AGO HE INVITED GUAM'S POLITICAL LEADERS TO HIS HOME IN ALBUQUERQUE FOR A MEETING ON GUAM'S DESIRE TO CHANGE ITS POLITICAL STATUS WITH THE UNITED STATES. THAT MEETING IN ALBUQUERQUE BROUGHT FORTH PROPOSALS TO DEAL LEGISLATIVELY WITH THE COMMONWEALTH ISSUE FOR GUAM.

MANY WITHIN THE INSULAR AFFAIRS COMMUNITY HAVE URGED THAT THE NEW SECRETARY OF THE INTERIOR REVIEW THE EFFECTIVENESS OF THE BUREAU WITHIN HIS DEPARTMENT WHICH IS PRINCIPALLY RESPONSIBLE FOR THIS NATION'S ADMINISTRATION OF ITS OUTLYING AREAS. I AM SPEAKING OF

THE OFFICE OF TERRITORIAL AND INTERNATIONAL AFFAIRS. I KNOW THAT, ONCE AT THE HELM OF THE DEPARTMENT, THE NEW SECRETARY WILL BE MOST SENSITIVE TO IMPROVING THE MANNER IN WHICH THE TERRITORIES ARE ADMINISTERED. SOME HAVE EVEN URGED THAT RESPONSIBILITY FOR THE INSULAR AREAS LEAVE THE DEPARTMENT OF THE INTERIOR AND GO TO ANOTHER DEPARTMENT OR AGENCY OR TO AN OFFICE WITHIN THE WHITE HOUSE COMPLEX. SUCH HAS BEEN THE SENTIMENT OF MANY. HOWEVER, WITH MANUEL LUJAN AT THE HELM, WE WILL HAVE A SECRETARY OF THE INTERIOR WHO IS KNOWLEDGEABLE ABOUT OUR AREAS OF THE AMERICAN FAMILY AND IN WHOM WE HAVE MUCH CONFIDENCE AND TRUST. WE ARE OF THE VIEW THAT, AS SECRETARY, MR. LUJAN WILL DO WHATEVER IS POSSIBLE AND NECESSARY IN THE BEST INTERESTS OF ALL AMERICANS FROM THE INTERIOR AS WELL AS THE EXTERIOR OF OUR COUNTRY.

ON BEHALF OF THE GOVERNOR, THE SPEAKER AND THE PEOPLE OF GUAM, I SUPPORT ENTHUSIASTICALLY THE PRESIDENT'S NOMINATION OF THE GENTLEMAN FROM NEW MEXICO TO BE THE NEW SECRETARY OF THE INTERIOR AND ASK THAT THIS COMMITTEE GIVE THE NOMINATION FAVORABLE CONSIDERATION.

THANK YOU, MR. CHAIRMAN.

The CHAIRMAN. Thank you very much, Congressman Blaz.

With that great sendoff, we are now pleased to recognize the man of the hour, Congressman Manny Lujan.

[Whereupon, Manuel Lujan, Jr., was duly sworn by the chairman.]

STATEMENT OF MANUEL LUJAN, JR., NOMINEE TO BE SECRETARY OF THE INTERIOR

Mr. LUJAN. Thank you very much. Mr. Chairman.

I would like to first introduce my wife Jean and my daughter Barbara.

The CHAIRMAN. Glad to have you here.

Mr. LUJAN. Thank you very much. And after all those laudatory remarks by all my colleagues, I almost do not recognize myself. I am reminded of the widow who——

The CHAIRMAN. It will not last, so enjoy it now. [Laughter.]

Mr. LUJAN. I am reminded of the widow who, after listening to all of the eulogies for her husband who was laid out in state, sent the little boy and said: "Junior, go and see if that is really your dad in the coffin."

But Mr. Chairman and distinguished Members of the Committee, I am honored to appear before you today as President Bush's nominee to be Secretary of the Interior. I am particularly pleased to be before so many friends with whom I have had the pleasure of serving during my 20 years in the Congress, and I hope that you will find me qualified for this important position as Secretary of the Interior so that we can continue to work together.

Mr. Chairman, I am a Westerner, as has been pointed out by many of your colleagues this morning. I am a native of New Mexico, where I grew up in a tricultural environment—Spanish, Indian, and Anglo—where reverence for the beauty and sanctity of our land was instilled in me from the earliest days of my youth.

I am also an "Easterner." And that is kind of a strange thing for me to say, but I am, having lived and worked in the Washington area for the past 20 years.

I subscribe to the philosophy so eloquently articulated by President Theodore Roosevelt when he said: "This country will not be a good place to live in unless it is a good place for all of us to live in."

During my 20 years in the Congress I have served, as you noted, on the House Committee on Interior and Insular Affairs from 1969 until my retirement earlier this year. I also served on the Joint Committee on Atomic Energy and on the House Committee on Science, Space, and Technology.

Let me now turn to the goals and agenda of President Bush that we have agreed upon if you confirm me as Secretary of the Interior. In his inaugural address, Mr. Chairman, President Bush last Friday said that "not only leadership is passed from generation to generation, but so is stewardship." The President and I agree that the conservation and the wise management of our natural resources—this whole notion of stewardship—will have a high priority in his Administration.

We are committed to protecting and enhancing the Nation's valuable resources, as well as proceeding with their environmentally sound development. We can do both, we do not have to choose between them.

In addition to this principal goal of stewardship, the President and I have jointly agreed to an expanded ten-point agenda for the Department, and the word "stewardship" naturally expands into an acronym outlining these ten points. And they are: stewardship, Territories, education, war on drugs, America the beautiful, responsible and efficient and ethical management, domestic resources, science and technology, harmony, Indian tribes and Alaskan Native Groups, and partnerships.

If you take the first letter of each one of those, it spells "stewardship."

The first one being "Territories." The Secretary of the Interior has responsibility with respect to the U.S. Territories, and I will seek to work with the leadership of the Territories and the Freely Associated States to further the economic and social development of their people.

The second is education. Mr. Chairman, I take a deep interest in the education of young people. If confirmed, I will work with others to develop a long-range plan to reform, rejuvenate, and revitalize our educational system by targeting Departmental resources to ensure access to appropriate high quality educational programs.

I will use these resources, Mr. Chairman, to establish throughout all the Bureaus cooperative work-study programs, stay-in-school programs, and educational programs for Department employees. It is my hope that through these programs we could entice 5,000 to 10,000 youngsters to stay in school.

The next is "war on drugs," and I will be an aggressive soldier in the Nation's war on drugs. I will assist the President, working with State and local law enforcement officials, to eradicate illegal crops and to interdict the sale and transportation of drugs on the Department's lands and properties.

I am committed to maintaining a drug-free work place and I expect no less of those who will serve with me at the Department.

Fourth is "America the beautiful." President Bush has often spoken of "America the Beautiful." This concept has particular relevance to our commitment to strengthen and preserve the National Parks, wildlife refuges, and Wilderness Areas.

President Bush and I want to be known as the team who passed on these national treasures to the next generation in better shape than we found them.

The fifth is "responsible, efficient, and ethical management." If confirmed, I will manage the Department in a fiscally responsible, efficient, and ethical manner. I will expect all employees of the Department to demonstrate unquestioned character, integrity, loyalty, and dedication to public service.

I will also see that individual opportunities for women and for minorities are available at all levels. My own appointments, Mr. Chairman and Members of the Committee, will reflect the diversity of ethnic backgrounds and an increase in women and minority managers as an example to senior managers of the Department of what I expect of them.

Next is "domestic resources." President Bush and I are committed to protecting and enhancing the Nation's natural resources, as well as proceeding with their environmentally sound development.

At the same time, we will oppose development in those environmentally sensitive areas where the risk of damage is great. If confirmed as Secretary of the Interior, I will not permit mining, drilling, or timber harvesting within National Parks and Wilderness Areas.

The Nation's continued progress depends in part on scientific and technological innovation. I will seek to strengthen the Department's science and technology base and, in concert with other Federal agencies, will aggressively apply the Department's unique resources to aid in the solution of national and international problems, such as water and air quality, global climate change, acid rain, and biodiversity.

Eighth is "harmony," of which we speak. President Bush has called for a "kinder, gentler nation." This means, in part, a nation in which disparate opinions are treated with respect. Discussion of natural resource issues has too often been marked by bitter controversy.

We all need to lower our voices so that we can hear each other. As a Member of Congress for 20 years, I appreciate the necessity for an open-door policy of communications among the Executive Branch, Congress, and outside groups of all interests.

"Indian Tribes and Alaskan Native Groups." Mr. Chairman, growing up in a tricultural environment has given me a deep appreciation of Native Americans. To make the ideals of Native American self-government and self-determination a reality, I will work with Native American groups to promote economic development, improved educational opportunity, and other measures to enhance the quality of life.

One of my first official actions will be to travel with Secretary of Education Cavazos to Bureau of Indian Affairs' schools to raise the awareness of and to assess the needs of our Indian schools.

If confirmed, I will promote partnerships with State and local governments, individuals, and public and private groups at all levels, as well as utilize President Bush's "thousand points of light." Those are the varied voluntary and unique organizations within our nation of communities.

We will use them to achieve the primary goal of stewardship. It is my goal to have at least 50,000 volunteers throughout the Parks Service, Fish and Wildlife Service, and other bureaus within the Department. I know that this is an ambitious goal, but one that I will strive to accomplish.

President Bush in his inaugural address said: "We must bring in the generations, harnessing the unused talent of the elderly and the unfocused energy of the young." I could not agree more, Mr. Chairman. Volunteerism is a traditional American trait, and I will use it at every opportunity. There is much to do and there are many who are willing and able to contribute.

In conclusion, Mr. Chairman and Members of the Committee, this is the agenda which I will work to implement if you confirm me as the forty-sixth Secretary of the Interior. I pledge to you and to the American people that I will strive to achieve my principal goal of stewardship of our natural resources of unlimited beauty and value entrusted to me.

But I obviously cannot do it alone. I will need your help and cooperation, the help and cooperation of the Department's 71,000 dedicated employees, and the help and cooperation of the American public.

John Donne wrote in "For Whom the Bell Tolls": "No man is an island entire in itself. Every man is a piece of the continent, a part of the main. If a clod be washed away by the sea, Europe is the less."

I believe that we as individuals, as a nation, and as a part of all mankind are diminished if we allow our natural heritage to deteriorate.

Thank you for your consideration of my nomination.

[The prepared statement of Mr. Lujan follows:]

STATEMENT OF

MANUEL LUJAN, JR.

BEFORE THE

COMMITTEE ON ENERGY AND NATURAL RESOURCES

UNITED STATES SENATE

January 26, 1989

Mr. Chairman and distinguished Members of the Committee, I am honored to appear before you today as President Bush's nominee to be Secretary of the Interior.

I am particularly pleased to be before so many friends with whom I had the pleasure of serving during my 20 years in Congress. I hope that you will find me qualified for this important position and that we can continue to work together. Although we sometimes disagreed in the past on specific issues, we always worked toward achieving a consensus that each of us thought was best for our constituents, and best for the Nation. If confirmed, my new constituency will be the Nation. And I pledge to you that I will continue to be a consensus-builder.

I would like to take a few moments to review my background.

BACKGROUND

I am a Westerner. I am a native of New Mexico, where I grew up in a tricultural environment -- Spanish, Indian, and Anglo -- where reverence for the beauty and the sanctity of our land was instilled in me from the earliest days of my youth. I am also an "Easterner," having lived and worked in the Washington area for the past 20 years. I subscribe to the philosophy so eloquently articulated by President Theodore Roosevelt: "This country will not be a good place to live in unless it is a good place for all of us to live in."

During my 20 years in Congress, I served on the House Committee on Interior and Insular Affairs from 1969 until my retirement this year, including a four-year stint from 1981 to 1985 as the Committee's Ranking Republican Member. I also served on the Joint Committee on Atomic Energy from 1969 to 1977, and on the House Committee on Science, Space, and Technology from 1977 until my retirement, where I was that Committee's Ranking Republican Member since 1985.

I believe that a careful review of my record for the past two decades will demonstrate that I have consistently shown a sensitivity for the preservation of the land and waters and the environment we all cherish.

Over the years, I have introduced, cosponsored and supported numerous pieces of legislation to create Wilderness Areas, to designate Wild and Scenic Rivers, and to establish National Trails. For example, I voted for the environmentally-oriented Alaska land legislation in 1979. In 1980, I sponsored the New Mexico Wilderness Act, Public Law 96-550, which set aside more than 600,000 acres of New Mexico land as Wilderness Areas, ensuring its beauty and enjoyment for future generations. During the 100th Congress, I sponsored the Sante Fe Trail Act, the El Malpais National Monument Act, the legislation which created the Rio Chama Wild and Scenic River, and a bill to create the Petroglyphs National Monument.

I also cosponsored seven major environmental protection bills including the Clean Air Act of 1970 and the Clean Water Act.

Let me now turn to the goals and agenda that President Bush and I have agreed upon if you confirm me as Secretary of the Interior.

STEWARDSHIP

In his inaugural address last Friday, President Bush said that "not only leadership is passed from generation to generation, but so is stewardship." The President and I agree that the conservation and wise management of our natural resources -- this whole notion of stewardship -- will have high priority in his Administration. We are committed to protecting and enhancing the Nation's valuable resources, as well as proceeding with their environmentally sound development. We can do both; we do not have to choose between them.

In addition to this principal goal of stewardship, the President and I have jointly agreed to an expanded ten-point agenda for the Department. And the word "stewardship" naturally expands into an acronym outlining these ten points: Stewardship; Territories; Education; War on Drugs; America the Beautiful; Responsible, Efficient and Ethical Management; Domestic Resources; Science and Technology; Harmony; Indian Tribes and Alaska Native Groups; and Partnerships.

I will comment briefly on each of these ten points.

TERRITORIES

The Secretary of the Interior has responsibilities with respect to the U.S. Territories of Guam, American Samoa, and the Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Trust Territory of Palau, as well as the new Freely Associated States of the Federated States of Micronesia and the Republic of the Marshall Islands.

I will work with the leadership of the Territories and Freely Associated States to further the political, economic and social development of their peoples.

EDUCATION

Education has an important role to play in assuring the public's knowledge, appreciation, and support of our natural resource policies which are essential if I am to achieve my principal goal of stewardship.

On a personal note, I take a deep interest in the education of young people. In 1984, I established the Endowment for Excellence in Education, a privately-endowed scholarship fund for students graduating from high schools in the First Congressional District of New Mexico. Each year, an outstanding student from each of the 25 high schools is selected to receive a $2,000 scholarship for his or her continued education. I have helped raise nearly $322,000 for the Endowment, and last month I signed over the $123,000 in my campaign treasury which remained at the end of my tenure in Congress giving the Endowment a total of $445,000. So far, close to 60 young people have received scholarships and 6 have now graduated from college. It is my belief that many educational initiatives such as this can be crafted to aid in educating America's youth.

Consistent with the Department's mission, if confirmed as Secretary of the Interior, I will work with others to develop a long-range plan to reform, rejuvenate, and revitalize our educational system by targeting Departmental resources to ensure access to appropriate high-quality educational programs. I will use these resources to establish throughout all the Bureaus cooperative work-study and stay-in-school programs, and educational programs for Department employees. It is my hope that through these programs we could entice 5,000 to 10,000 youngsters to stay in school.

WAR ON DRUGS

I will be an agressive soldier in the Nation's war on drugs. I will take all appropriate measures to assist the President including: (1) increased efforts toward working with State and local law enforcement officials on a coordinated basis to eradicate illegal crops and to interdict the sale and transportation of drugs on the Department's lands and properties; (2) providing a drug-free workplace; and (3) encouraging treatment for drug users.

I am committed to maintaining a drug-free workplace, and I expect no less of those who will serve with me at the Department. To demonstrate this commitment, I was tested for drugs on January 13 as part of the Department's new program. I am told that I was the first U.S. Government employee to be tested under the new law which mandates that new employees be tested.

AMERICA THE BEAUTIFUL

President Bush has often spoken of "America the Beautiful." This concept has particular relevance to our commitment to strengthen and preserve our National Parks, wildlife refuges, and Wilderness Areas. President Bush and I want to be known as a team who passed on these national treasures to the next generation in better shape than we found them.

RESPONSIBLE, EFFICIENT AND ETHICAL MANAGEMENT

If confirmed, I will manage the Department in a fiscally responsible, efficient, and ethical manner. I will expect all employees of the Department to demonstrate unquestioned character, integrity, loyalty and dedication to public service. I will also see that individual opportunities for women and minorities are available at all levels. My own appointments will reflect a diversity of ethnic backgrounds and an increase in women and minority managers as an example to the senior managers of the Department of what I expect of them.

DOMESTIC RESOURCES

Consistent with my principal goal of stewardship, I will manage the multiple-use Federal lands and waters to provide the widest range of benefits from these domestic resources to the American people, including preservation, recreation, energy, minerals, water supply, food and fiber.

President Bush and I are committed to protecting and enhancing the Nation's natural resources, as well as proceeding with their environmentally sound development. We believe that development of our most promising domestic resources is called for, because continued development is essential to the national security and economic well-being of the United States.

At the same time, we will oppose development in those environmentally sensitive areas where the risk of damage is great. If confirmed as Secretary of the Interior, I will not permit mining, drilling or timber harvesting in the National Parks and Wilderness Areas.

SCIENCE AND TECHNOLOGY

The Nation's continued progress depends in part on scientific and technological innovation. I will seek to strengthen the Department's science and technology base, and, in concert with other Federal agencies, will aggressively apply the Department's unique resources to aid in the solution of national and international problems such as water and air quality, global climate change, acid rain, and biodiversity.

HARMONY

President Bush has called for a "kinder, gentler nation." This means, in part, a nation in which disparate opinions are treated with respect. Discussions of natural resource issues have too often been marked by bitter controversy. We all need to lower our voices so that we can hear each other.

As a Member of Congress for 20 years, I appreciate the necessity for an "open-door" policy of communication among the Executive Branch, Congress, and outside groups of all interests. Lengthy confrontation is costly, so if confirmed as Secretary of the Interior, I will always encourage discussion, and I will always try to bring a spirit of harmony to these discussions through a process of consultation, cooperation, and coordination, instead of confrontation among competing interests. I intend to bring the people and the land together.

INDIAN TRIBES AND ALASKA NATIVE GROUPS

Growing up in a tricultural environment has given me a deep appreciation of Native Americans. President Bush and I also share a commitment to make the ideals of Native American self-government and self-determination a reality. If confirmed as Secretary of the Interior, I will respect and honor all treaties and laws which establish the unique political status for Native Americans. I will work with Native Americans to promote economic development, improved educational opportunities, and other measures to enhance the quality of their lives. One of my first official actions will be to travel with Secretary of Education Cavazos to Bureau of Indian Affairs' schools to raise the awareness of and to assess the needs of our Indian schools.

PARTNERSHIPS

If confirmed, I will promote partnerships with State and local governments, individuals, and public and private groups at all levels, as well as utilize President Bush's "thousand points of light" -- the varied, voluntary and unique organizations within our nation of communities -- to achieve my primary goal of stewardship. It is my goal to have at least 50,000 volunteers throughout the Park Service, Fish and Wildlife Service, and other Bureaus within the Department. I know this an ambitious goal, but one I will strive to accomplish.

President Bush, in his inaugural address, said: "We must bring in the generations, harnessing the unused talent of the elderly and the unfocused energy of the young." I could not agree more. Volunteerism is a traditional American trait, and I will use it at every opportunity. There is much to do and there are many who are willing and able to contribute.

CONCLUSION

Mr. Chairman, and Members of the Committee, this is the agenda which I will work to implement if you confirm me as the 46th Secretary of the Interior. I pledge to you and to the American people that I will strive to achieve my principal goal of stewardship of our national resources of unlimited beauty and value entrusted to me.

But I obviously cannot do it alone. I will need your help and cooperation, the help and cooperation of the Department's 71,000 dedicated employees, and the help and cooperation of the American people.

John Donne wrote: "No man is an island, entire of itself; every man is a piece of the continent, a part of the main. If a clod be washed away by the sea, Europe is the less..". I believe that we as individuals, as a nation, and as part of all mankind are diminished if we allow our natural heritage to deteriorate.

Thank you for your consideration of my nomination.

The CHAIRMAN. Thank you very much, Congressman Lujan.

Now I would like to ask three questions which are addressed to each nominee before the committee. Will you be available to appear before the committee and other Congressional committees to represent Departmental positions and respond to issues of concern to the Congress?

Mr. LUJAN. I will, Mr. Chairman.

The CHAIRMAN. Are you aware of any personal holdings, investments, or interests that could constitute a conflict of interest or create the appearance of such a conflict should you be confirmed and assume the office for which the President has nominated you?

Mr. LUJAN. No, I am not. I have divested myself of all interests that would in any way appear to be a conflict. Let me correct that. I have divested myself and will divest myself after nomination of those that I have not already divested myself of.

The CHAIRMAN. Thank you.

Are you involved or do you have any assets held in blind trusts?

Mr. LUJAN. No, sir, I have no assets in blind trusts.

The CHAIRMAN. Congressman Lujan, I will not go over all of the areas that we discussed yesterday, but we discussed some subject areas. I invited your attention to the general question of territories.

Senator McClure and I have been concerned for some time about the management of the territories. We put in legislation in the early 1980's to help rearrange that management. Speaking for myself, I have been particularly concerned in recent years with the inefficiency and I think mismanagement of the territories in general, and simply hope that as you have time to really look at this question, that you recognize the importance of the territories.

There are about three and a half million Americans there, a huge amount of money spent there. There are vital U.S. interests. I mean, if Idaho is concerned about Federal land owned within the State, well, these, many of these territories are dependent upon the Federal Government for a whole range of things from budgetary help to just a whole range of services and programs, which have not been well done.

I hope you will, as you said yesterday, give it priority consideration with a view to putting some of your best people there and look at the rearrangement which we suggested in our legislation.

Mr. LUJAN. I certainly will, and I am familiar with those concerns that you raised, Mr. Chairman. As you know, I have been on that committee for some 20 years. As a matter of fact, I have been out there.

Congressman Udall is going out there some time in February. He has asked me to join him. I am seriously considering doing that, just to show a priority interest in the management of the territories.

So I agree with you. I do not know in what way you were thinking of reorganization, and I am not really sure about what the reorganization should be. But I do share those concerns with you.

The CHAIRMAN. Well, as you know, we gave that legislation, those memos, to you in writing. When you have the time we want to have your views. I do not expect you to fully be able to respond to those here, but I know you will give it priority consideration.

As part of the territories, part of that general question, we will focus greatly on Puerto Rico this year. The Governor of Puerto Rico, as well as the leaders of the Statehood Party and the Independentistas, have written to Senator McClure and me requesting a referendum on status, and I am sure we will have legislation on that.

If we do pass legislation and they do have a referendum on status, then we will go into negotiation with them as to the status that they will have picked, assuming that the proposal that they have would allow them to pick one of the three to negotiate.

That will take a great deal of the time of this committee and of the Administration, to determine what to do in those areas. And I know you will give that also priority consideration.

I bring that to your attention simply to focus the importance of how you organize the territories, because you are going to have to have very, very good people in that.

Next is the question of OCS drilling. I am very pleased that this whole question of moratoria was pretty well excluded from the last presidential campaign. I am pleased that that happened because in most presidential campaigns that is not the kind of issue on which you could shead much light. You get a lot of heat, but not much light.

And so the Administration and we here in the Congress sort of took that issue out of consideration. But it is an issue that will not go away. It is one I know that you will, as we discussed yesterday, will re-examine all that OCS drilling question with a view to protecting the environment, protecting even the appearance of hurting the environment, because it is of vital concern to millions of Americans who regard that OCS and the coastal land and the resources there as being very highest in priority.

On the other hand, there are also very high priority oil and gas resources located there. Where there is oil and gas which can be extracted without environmental insult, this country, which in December of last year I think imported more than 50 percent of its oil needs, needs to develop its own resources, as opposed to going overseas.

So that will be a very great challenge, to do it safely and properly with respect to the environment, to preserve your own credibility, so that your judgments with respect to the OCS will be respected, that you will not be regarded as a raper and pillager of the public resources, that people will have confidence in those judgments, but that it will not be the kind of judgment which just says when anybody has any objection to doing anything we are not going to do it, because a great country cannot have a policy run by ignorance and emotion.

It must be a policy run on good sense and sensitivity to both the environment and sensible development. That policy, of course, will pertain to the Arctic National Wildlife Refuge. We will begin hearings on that question soon. My own view is that, after extensive hearings and trips up there over the last several years, that we should develop that. But that will be a question which will be addressed by the Congress and also by you.

As you know, Interior has done studies, has recommended drilling. But whether it can be done safely will be an ongoing question.

Nothing is ever final. No safety rule is ever final. It must be continued to be re-examined and rechecked and refurbished, to the end that it is the best that we can do. So that will be a high part of your responsibilities.

As we discussed yesterday, there is the question of the land trades in ANWR. I think this committee made itself pretty clear that we will not approve any land trades in ANWR. I do not know that we had a vote on that, but I think I speak for the majority here, and I say that with real confidence, that we will not do that.

Now, Don Hodel, your predecessor, made it clear that he would not attempt to effectuate those land trades without having it approved by Congress.

The only problem is that I think a lot of companies and maybe some Eskimoes, Alaskan Natives, have been under the impression that sooner or later those land trades were going to take place, and so accordingly they have spent time and money and effort on continuing those land trades, going forward with the studies, going forward with the EIS.

I think it is important for you to take an early position on that, to stop that activity. And I hope my colleagues will say a word on that if they agree with me on it.

I just cannot imagine that the Congress would trade what may be the richest oil area since Prudhoe Bay to someone for property. If we need to buy some property, we should go ahead and buy it, and not trade it. And I think I speak pretty well for the committee on that.

Mr. LUJAN. May I comment on that?

The CHAIRMAN. Yes.

Mr. LUJAN. Because I do have an inclination in the direction of not looking at those trades. And the reason I want to speak out on that question—I am not formulating policy just off the top of my head—but I have given it a lot of thought and I am not really inclined to move on ahead with those trades.

I think it is incumbent upon me to say so, so that those who are spending a lot of money, as you say, and getting their hopes up real high do not continue to do that. I am not saying never. You never say never, I guess, in this business. But my inclination is to not go into those trades.

The CHAIRMAN. Well, as you know, we passed a law that says they cannot be done without Congressional authority. But there was this lingering hope that, because the Administration was interested in it, that the Congress might turn around on it.

But I know you will have to consult with the White House on that. But as soon as you can, I think it is important to state that as a question of policy.

Mr. LUJAN. Yes, sir.

The CHAIRMAN. On the question of land and water conservation fund and the funds for general acquisitions for parks, wildlife areas, et cetera, wilderness, there is a constant tension between OMB and the Congress. We want more; they want less, because they are trying to balance the budget.

Mr. LUJAN. I have talked with the President about that.

The CHAIRMAN. We can argue it with OMB. You will have to carry out whatever the policy is. But we simply cannot cannibalize those meager resources that we have to acquire the new parks and wildlife refuges, because many of these are really endangered if we do not acquire them now.

They are lost forever, either because they are developed or because they go out of sight in terms of price.

So take the side of conservation in our fights with OMB, and I think you will, and I hope you do it enthusiastically. The answer is yes, I am sure.

Mr. LUJAN. As you know, the President has made some statements about some kind of an endowment so that there is a continual income into that kind of fund on an interest basis. So I guess somebody will be coming to you to put up some kind of an endowment in it, so there will be a lot of discussion.

The CHAIRMAN. Well, I did not notice that in the President's budget. I understand that the President—I mean in President Reagan's budget. And I hope that President Bush will include that in his budget in his resubmission in February, although frankly I do not expect to see it. Those things are always talked about at campaign times and are exceedingly difficult to do after that.

So I hope you will take our side.

With respect to wetlands, I hope to be able to get legislation, either here or in the Appropriations Committee, to preserve, what is an ever-increasing problem. I know you share that view. You might say a word about that.

Mr. LUJAN. Well, yes, I do. As a matter of fact, we discussed that yesterday in your office, and I know that the President shares that concern also, because one of his statements was a policy of no net loss of wetlands. And that, of course, means buying some and refurbishing some others, and then others that would be given a little more careful consideration before doing something about wetlands.

The CHAIRMAN. Well, I am glad the President said that. It is a policy that cannot be done in terms of no net loss of wetlands immediately. But if he will try, it is going to take some money to do that because there are all kinds of intrusions into the wetlands.

In my State, we are losing 60 square miles per year.

Mr. LUJAN. Yes, sir, I understand that.

The CHAIRMAN. 60 square miles a year. That is what, a square mile per week. I mean, you do not stop that overnight, certainly not without a huge amount of money. And there are some things that we ought to be doing soon. We have done virtually nothing as the Federal Government lately.

Finally, I know that you, as a Member of Congress, that you coauthored the coal slurry bill. I hope that this committee will report that again this year, and I hope in the process you will continue to support that.

Mr. LUJAN. Thank you. I do not know what the Administration—I am in a little bit different position now than as a Member of Congress, of course. I am not a free agent to come up here and espouse things that I espoused over the 20-year period.

But I will ask for permission to do so, if that is the way that it works out.

The CHAIRMAN. Thank you very much, Congressman Lujan.

Mr. LUJAN. Thank you, Mr. Chairman.

The CHAIRMAN. Senator McClure.

Senator McClure. Thank you very much, Mr. Chairman. I will have some questions to submit for the record.

The Chairman. If I may interrupt at that point. Senator Metzenbaum had some questions which he would like answered before the confirmation process.

Mr. Lujan. Yes, sir.

The Chairman. We'll submit those in writing. He had to go to another committee.

Senator McClure. I'll take the time for a few questions here and submit the balance for the record.

You are in a different position now than you were in the last several years, and I know that we can't necessarily assume that your positions on every issue will be exactly the same as they have been over the past.

But there is one issue that seems to be rather durable or at least has been during the Reagan Administration. The budget that has just come up has exactly the same proposal that they've had for eight years, which Congress has disagreed with for seven, and I assume Congress will disagree with it again. And I know that you have had the same concern that the Congress has had with respect to the Mineral Institute's programs. That is zeroed out again in the budget even though it was reauthorized last year and the President signed the bill. Apparently the reauthorization was easier to do than it was to find the money. That is often the case.

But I would hope that you will carry your influence into the administration in support of the Mineral Institute's program which has been of so great importance to the mining industry and to the Nation.

Mr. Lujan. Let me make a point on that, if I may, because as you say, in my new position I will have to support the Administration's position in those things. But also the President has said to all of us not to be reticent about bringing up issues that you think ought to be different. Of course once he makes the decision as to what to do, we have to go along with it. But he encourages us to bring to him issues that we think he should treat differently than have been treated in the past.

Senator McClure. Again, we have in the budget this year another administration proposal which has been rejected in the Congress in the past. In fact, in the last several years you and I have participated in making certain that we moved in the other direction, and that was in the distribution of net revenues from the Federal Government versus the question of distribution of gross revenues from the Federal lands.

Again, we have that question being presented to us in part in the budget and as a matter of policy, and I would assume that you will continue to argue within the administration for the position that is so important to your state and mine and many others about the sanctity of the pledge that has been made over the years. That is historic and should be observed in the distribution of gross revenues.

For the record, you were nodding your head.

Mr. Lujan. Yes, I am. [Laughter.]

Senator Conrad. Nodding affirmatively.

Mr. LUJAN. It's hard to teach an old dog new tricks and, you know, you don't just all of a sudden change your mind completely because you occupy a different position. But I will bring that up as something that I'm interested in and hopefully it will work out.

Senator MCCLURE. Associated with that is the distribution and the question of mineral receipts on public lands. I'll not belabor that because you're familiar with it and I know you are. But only to the extent that whatever the administration's position may be, it is important that that be communicated to the states which are affected so that they have the opportunity for a part of the discussion, so that they have an opportunity to anticipate what the Federal Government's role and the Federal Government's position would be.

I know what your position has been. I am hopeful that you will prevail in the administration's discussions on those issues, but I do appeal to you to make certain that the states are brought into it so that they have the opportunity to express themselves before and not after the fact.

Mr. LUJAN. I think that is very important to do that, and I agree with you.

Senator MCCLURE. Over the years, Congress has authorized the acquisition of thousands of acres of land for federal systems of national parks, the forests and wildlife refuges. There's, as you know, a very, very wide gap between authorization and appropriation to implement. There are a lot of landowners, as well as communities, that are disadvantaged by promises made but not kept, and they sometimes believe an authorization is a promise, not recognizing that there is a difficulty.

That really is an inhibition on the rights of the private property owner. When the Federal Government says we're going to take your land, that's a message to the world that you can't sell it, you can't do anything with it, you can't develop it. And yet we don't compensate them for it.

I know you are sensitive to that. I hope you will carry that sensitivity also into the discussions with you in the Department. We have tried to do that within the Congress and we haven't always been successful here either. So, it's not just an administration problem.

Mr. LUJAN. And I will raise that issue.

Senator MCCLURE. A couple of questions with regard to the State-Federal relationship on water. I think you have always believed, as I do, very strongly that the states should have primacy with respect to water as it comes to the Federal-State relationship.

Mr. LUJAN. Yes, sir, I do.

Senator MCCLURE. Is that not correct?

Mr. LUJAN. Yes, sir, absolutely correct.

Senator MCCLURE. We have a new source of contention in that relationship, and it's relatively new, and that's in the issue of whether or not there are reserved water rights reserved to the Federal Government as a result of the passage of wilderness legislation. That's a contentious issue.

Mr. LUJAN. Yes, sir.

Senator MCCLURE. The Department of the Interior recently issued Solicitor Opinion No. M36914 Supplemental 3 which concludes that Congress did not intend to create reserved water rights for wilderness areas. This opinion reversed an earlier Solicitor's opinion.

What position do you take with respect to that issue?

Mr. LUJAN. Well, as you know, I've supported in the past that there are no reserved water rights for those Federal lands. And I must say my present position—I guess in terms of what the Administration would decide about that issue, but that present position is exactly like yours as we have voted before.

Senator MCCLURE. And exactly as the current administration policy is.

Mr. LUJAN. The last Solicitor's opinion.

Senator MCCLURE. Unless changed, it would be.

Mr. LUJAN. Yes, sir.

Senator MCCLURE. Last fall, as a matter of fact, Congressman Steny Hoyer and I worked out a plan with Secretary Hodel to arrange for relocation of the Bureau of Mines and the Office of Surface Mining. OSM's offices, approximately 500 employees, were to be relocated in the old Bureau Avondale Lab located in Maryland, while the Bureau was to be relocated within the District of Columbia.

Under Secretary Earl Gjelde, who I understand is currently acting in an advisory capacity to you during the transition, is well aware of the agreement because he was in the room at the time that it was worked out. It was really between Congressman Hoyer and myself and Mr. Gjelde that made this arrangement.

However, GSA appears to be dragging their feet on advertising for space in the District. I'd like to request as soon as possible you request the GSA to get this issue completed.

Mr. LUJAN. I'm not familiar with that at all, but I'll take that up and move on it.

Senator MCCLURE. If you would. I think Mr. Gjelde could fill you in on what was done and I think he would agree that what I have outlined is what the agreement was.

And there's no need to poison the atmosphere over an issue that is no more earthshaking than that one.

Mr. LUJAN. Yes, sir.

Senator MCCLURE. But it has the potential for some dissension and it ought to be laid to rest.

Turning to another issue, do you feel that the current grazing fee formula should remain in its current form?

Mr. LUJAN. I do. We worked long and hard on that. It's fair. It's going up now because times are better, and it goes down when times are bad. So, I see no reason at this time to propose any changes.

Senator MCCLURE. I have just one question because I think as all statements are, they may get too general at times, and I note on page 4 of your statement something that, if taken literally on the face of the statement, would indicate that you intend to violate the law.

Mr. LUJAN. I certainly do not intend to do that.

Senator MCCLURE. And rather than allow that to stand, I'd like to give you the opportunity to say, as I'm sure you mean, that you intend to comply with the law. And that has to do with mining within wilderness areas.

Mr. LUJAN. Yes, sir.

Senator MCCLURE. Current law does not prohibit mining within wilderness areas. In the middle of page 4, you have stated that "If confirmed as Secretary of Interior, I will not permit mining, drilling or timber harvesting in the national parks and wilderness areas."

Mr. LUJAN. Yes, sir.

Senator MCCLURE. And I would assume that you mean by that to make that conform to the conditions of current law where mining is permitted in the wilderness but under very restrictive conditions.

Mr. LUJAN. You are referring to the——

Senator MCCLURE. The 1964 Wilderness Act as amended and as currently the law of the land which——

Mr. LUJAN. You're talking about valid and existing rights?

Senator MCCLURE. Valid, existing claims.

Mr. LUJAN. Well, yes. We, of course, have to do that. But I would hope that we could exchange them out of there or do something so that we would not have to——

Senator MCCLURE. I understand the concern we all have, but somebody reading that would say, hey, Manny doesn't know what the law is or he's going to go out there and defy the law. And I didn't want to leave that statement on the record unexplained.

Mr. LUJAN. Thank you for pointing it out to me.

Senator MCCLURE. Thank you very much, Mr. Chairman.

The CHAIRMAN. Senator Conrad?

Senator CONRAD. Thank you, Mr. Chairman.

Congressman Lujan, President Bush said in his inaugural address that great nations, like great men, must keep their words. And he said when America says something, America means it, whether it's a treaty or an agreement or a vow made on marble steps. And the question that I have is whether or not that applies to the Garrison Diversion Reformation Act of 1986.

Mr. LUJAN. I would say that a statement like that applies to all agreements that have been made, Senator.

Senator CONRAD. I would assume so, and I know that the Bureau of Reclamation, which will be under your supervision has believed that as well, and in fact, the Interior Department has taken that position in the internal debates with the Office of Management and Budget.

Nonetheless, we are faced once again this year, even after the agreement which was promoted by the Department of the Interior just three short years ago, with a reduction in funding so severe that it would, for all intents and purposes, kill the project. As I indicated in my opening remarks, it's very difficult for the state that I represent to understand how the Federal Government can sponsor an activity that leads to an agreement, sign off on it themselves and then turn their back on that agreement.

Again, you have been supportive personally and we appreciate that. The Department that you are about to administer has been supportive. We know the budget submission that they made—the Bureau of Reclamation—which was exactly in line with the promise made. I think we ought to salute them for keeping the promise.

But somehow, when it got to the Office of Management and Budget, the promise and the pledge, the agreement were forgotten.

I would just ask today if you would continue to be an advocate for that project and to continue the kind of support for a recommendation that the Bureau of Reclamation made this year.

Mr. LUJAN. Well, as you know—and I don't have to point out to you because you have been the leader on that, and this Committee has been, and I anticipate that that's what will continue to happen. I would anticipate that as you go through your deliberations, you will put it back up to $30 million, and I don't suppose that that's any surprise to anyone. That's what has happened consistently before. And I must tell you with my support over on the other side—but I anticipate that that's what will happen anyway.

Senator CONRAD. Let me just probe a bit further because we're going to have some ongoing controversy on this matter. It's going to be a tough year with respect to budgets, as it should be. But I am really asking the question, will you encourage the Bureau of Reclamation to continue to advocate that the agreement be kept.

Mr. LUJAN. Well, yes, I would be very supportive. Let me also say at the same time that when it becomes the position of the Bush Administration, I can't come up here and encourage you all to go ahead and put forth more money. I will have to support the position of the administration.

Senator CONRAD. No, I understand that and appreciate that. You are part of a team. Once a team makes a decision—really what I am asking is when the team is formulating its position, will you advocate that the agreement be kept.

Mr. LUJAN. Let me put it this way to you. I feel kindly towards your position on this.

Senator CONRAD. I appreciate that.

Mr. Chairman, I'll yield time so others have a chance to ask questions.

The CHAIRMAN. Thank you, Senator Conrad.

Senator Domenici?

Senator DOMENICI. Thank you, Mr. Chairman.

Manny, let me first ask a few questions about the Waste Isolation Pilot Project. Although it is generally assumed to relate to the Department of Energy, it's clear that it involves your department.

First, I believe every member of the New Mexico delegation, including this Senator, favors legislation for the withdrawal which would, in addition to the withdrawal, state the conditions with reference to the project and the responsibilities and statute law of the Federal Government with reference to that project.

Might I ask first the general question? Do I assume that in your new capacity you continue to favor legislation over an administrative withdrawal?

Mr. LUJAN. Absolutely, yes, sir.

Senator DOMENICI. Second, with reference to that project, while again it is a Department of Energy project, in the past they have entered into agreements with the State of New Mexico that you are aware of. There have been at least two with addendums attached regarding the commitments of the Federal Government.

One that has been very clear in the past was a commitment to substantial road improvements. Those were the widening. I regret to tell you that even though a Cabinet member's name appears on those agreements, in the past six years never has the administration put in their budget the request for the monies that New Mexico is entitled to in just that one area, road improvements.

Mr. LUJAN. Yes, sir.

Senator DOMENICI. Now, I want to ask—obviously, you must do what the administration ends up deciding on budget matters, but it seems to me that if you are going to be involved in this loop as part of the process that you have a responsibility to remind the OMB and the administration that their commitments, when they say we'll use our best efforts to comply, have a minimal requirement that they furnish the resources that they have committed to.

Are we safe in New Mexico and the other states involved in assuming that you will be such an advocate?

Mr. LUJAN. Well, yes. Let me also tell you this, that I don't know how much leeway I have into sticking my nose into somebody else's department. But one always runs into the Director of OMB at different places, and one can espouse such a position. But if it's kosher for me to get into the business of the Department of Energy, I certainly will because I believe very strongly that those agreements have been made and should be lived up to.

Mr. Conrad just left and that would have been music to his ears.

Senator DOMENICI. It seems to me that clearly you have a responsibility since we're talking about Department of Interior land, at least at the beginning, to indicate the feeling that if you want to poison the well among the constituents that have to make a decision regarding such a project, then one of the nice, easy ways is to not live up to some written commitments right from the beginning.

Mr. LUJAN. Exactly.

Senator DOMENICI. With reference to the Federal royalty distribution to the states, Senator McClure alluded to it in a general way, but might I be a bit more specific? In the Reagan budget, they departed from past approaches to not distributing the gross amount of royalties that our states are entitled to. All of those Federal land states are entitled to royalties under formulas that came to us when we came into the Union or that were agreed to.

This year the Reagan budget suggests that we ought to subtract from the royalty distribution that amount of money estimated to be needed to fight fires. Heretofore, they wanted administrative costs, and that was turned down. This year they have this very flexible thing. Nobody will know what it is. And two States, Wyoming and New Mexico, will get substantially diminished returns to pay for forest fires that are up and down and, in this particular case, not even within our States.

Might I ask? In the past you have not found that any reduction from the royalty formula was, at least in your opinion as a Representative, the right thing to do. Will you look at that with reference to the Reagan budget, as President Bush prepares his, and indicate your position to him in that regard?

Mr. LUJAN. I will. Prior to February 9, I can tell you that I support the position that you're talking about. After February 9, I don't know what I might be—have to come up here and tell you.

Senator DOMENICI. Well, I understand that, but in the meantime, we'd like you to be our advocate.

Mr. LUJAN. All right.

Senator DOMENICI. With reference to a very contentious issue in New Mexico, I assume you are aware of a Federal District Court judge's decision, Edwin Meacham's decision, on "Indian country" as it applies to lands that are off the reservation and surrounded, and that that interpretation conflicts with another Federal judge's opinion with reference to the effect of that kind of land ownership and other relationships like roadways, private property and the like. Now, clearly the Federal Government has taken the position in the courts in favor of overturning the Meacham opinion.

But I would only ask you this. Since it is very contentious in Indian country in the counties of McKinley and San Juan and is a generic problem that might occur in the country, could you look into that from the standpoint of seeing if your good offices could be used to find some better solution to this problem than leaving it as it is with people almost at each other's throat because they don't know the consequence of this ruling?

Mr. LUJAN. I certainly will, and I'll work with you on that to see what we can come up with. And we'll have our staffs do a lot of research on it. Yes, sir.

Senator DOMENICI. With reference to the proposed national monument called Petroglyphs, which has been alluded to heretofore by those introducing you to the committee, that proposal from the National Park Service, which originated, incidentally, because the current director came to see that property and was absolutely astounded and suggested that we do what we're trying to do—the proposal is now at OMB. It has been there for a long time. It has not been cleared nor denied.

I would ask, if you feel strongly about that project, whether you would attempt to get an answer with reference to the position of the Office of Management and Budget, yes or no, with reference to that.

Mr. LUJAN. I sure will. As you know, you and I have worked on that project together, and I feel strongly about it, and I will.

Senator DOMENICI. Mr. Chairman, I know there are others, so I'm going to stop now. If we have a second time, I might ask a couple more. I will submit a few in writing. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Domenici.

Senator Rockefeller?

Senator ROCKEFELLER. Thank you very much, Mr. Chairman.

Congressman Lujan, as I indicated earlier, I am very pleased by the conversation that we had yesterday and also by what you have said here this morning. In fact, some of the things that you said surprised me a little bit in their strength and therefore pleased me.

Now, at the end of the last administration, there were a number of proposals that were made that I think were not environmentally sound, and they related to mining issues. Most specifically, there is a marvelous area in the State of West Virginia called the New River Gorge National River, and it is a thing of wondrous beauty which brings many people to our state and gives us in West Virginia an enormous sense of pride because it is known now not only across the country, but on a worldwide basis.

Under the previous administration's rulings, mining could have been carried out on the particular gorge area. And you can imagine, obviously, that a gorge is not flat by definition. It's the opposite. Therefore, mining is visible and repugnant in every sense of the word.

I take it by reading and listening to you on your statement on page 4, that this would not be something that you would allow to happen.

Mr. LUJAN. Is that a national park?

Senator ROCKEFELLER. National Park Service.

Mr. LUJAN. It is? Yes, I don't want to.

Senator McClure, of course, raised the issue of rights that people have in there, and I try to trade them out. I think we have to take into consideration—I think that's where you're leading—the other values in the public lands other than just resource development. We have to take into consideration the tourism as it applies to that particular area.

Senator ROCKEFELLER. You can imagine something like a gorge and a river roaring through it and the beauty of that.

The New River, incidentally, happens to be the second oldest river in the world, although it is called the New River. Only the Nile is older. And it has incredible beauty.

The idea of mining in the gorge or on the rim of the gorge is really quite extraordinary. But a rulemaking was prepared to allow that to happen. And I have to believe that what you have said this morning is that you will not allow that to happen.

Mr. LUJAN. If you are referring to the just recent rule that was promulgated——

Senator ROCKEFELLER. That's what I'm referring to.

Mr. LUJAN [continuing]. By the Department. The Department tells me that they did not intend for that to be, you know, that they go on in and mine in the National Parks, but that they had to recognize the valid, existing rights of people. And certainly one doesn't want to take valid, existing rights away from someone. I think we need to compensate them for them in some way. But areas like that in National Parks certainly I do not want to see any mining or drilling in them.

Senator ROCKEFELLER. I'm glad of that, Congressman Lujan, and I respect your position on it.

It was interesting to me this morning to listen to some of the western Senators decrying the enormous power of the Federal Government. With respect to the Park Service, there are well over I think 350 units within the Park Service—over 360, in fact, I think. Only three of those are in West Virginia. In our view, with respect to at least the Park Service, we wish we had more because things are more crowded in the east and therefore the preservation of rivers, of special areas, of the Cranberry Back Country—I mean, there are some extraordinary assets in the east where there are enormous numbers of people, and those need to be preserved so that people can come and visit those and be refreshed by them and have their sense of pride in America deepened by them. And at the same time I think within that concept, there can be room for development which is helpful to the tourist.

We in West Virginia have an economy which is fragile. And committee members, Chairman Johnston and Ranking Member McClure, have heard me say this many times before. But we have very high unemployment. We have the highest rate of plant closings of any state in the country. In 1982 and 1983 during the recession, our unemployment went to 21 percent, and that was only the official designation. And that's not anything less than a stunning human tragedy. That means people aren't working therefore, and we seek opportunities to put people to work. And therefore, tourism is important to us, as it is to the Nation, but in the southern part of our state, it has a special power, a special attraction, and a special hope for people there.

The Park Service has been very helpful to us, both officially and unofficially. We are trying in some of our cities, in the middle of the coal fields, for example, to restore areas of historic interests. There is one project that I'm working on. We in West Virginia and in Appalachian States, people take coal mining for granted. I mean, although in fact, most of the people of my own state have not been under ground unless they are coal miners or state mine inspectors, we take our coal mining for granted. And what we have discovered really is that it's a fascinating concept—he coal mining, the history of coal mining, the conflict between management and labor, that part of it, the human tragedy part of it. Mining is dangerous, to say the very least, less so than it used to be, but still so. And it's a fascinating part of our country's history.

We're trying to develop in southern West Virginia something called Coalways which presents to a potential tourist the way mining used to be, what a coal camp was, what a company store was—the old Tennessee Ernie Ford song, Owe Your Soul to the Company Store—I mean, there's a great and rich tradition. Tipples, which we sort of routinely take down, have great historic interest, cultural interest, to them.

And a coal mine itself, to go into a coal mine itself. In the 1982 Knoxville, I think it was, World's Fair, I was governor at the time, and I sent down there, in fact, what was a fake coal mine exhibit because obviously you couldn't put a coal mine in Knoxville. And it showed the way people live, the clothes they wore, the tools they used, pick and shovel, mule, the Gatling gun reminiscent of the mine wars in the early days. And it turned out to be the most popular of all of the exhibits at that exhibition, overwhelmingly powerful.

So, we're trying to develop that. The Park Service has been very helpful to us. And I would hope, Congressman Lujan, that under your administration, that they would continue to be so—those folks are the ones who really know how to make things work and how to plan them. And I would hope that we could continue having that cooperation.

Mr. LUJAN. I certainly do intend to cooperate with that. That would be an interesting concept, one that I had never thought about because I don't come from that area of the country. And it is within the things that the Park Service does.

Senator ROCKEFELLER. That's right, exactly. And I appreciate that, sir, very much.

The final question. The National Park Service, as has been pointed out at this hearing, has not moved as rapidly as they might have in terms of the acquisition of lands for which money has not only been authorized, but appropriated. And that's true in West Virginia also. The New River Gorge National River, which I've just referred to, is a supreme asset to our state. I want to make sure that the acquisition of the land for this continues, and I would hope and would ask if it would be your position that you would try to make sure that the money that has been appropriated for the acquisition of that land is, in fact, done, used, gotten.

Mr. **Lujan**. Sir, I'll check into that. I don't know what all the reasons may be, but I'll get back to you on it.

Senator **Rockefeller**. I appreciate that very much.

Mr. Chairman, I thank you for your indulgence. I look forward to supporting Congressman Lujan.

The **Chairman**. Senator Burns?

Senator **Burns**. Thank you, Mr. Chairman. In the essence of time, I just have a couple of questions.

Montana is the largest watershed state there is in the Union, and I guess Senator McClure alluded to your attitude towards those states' rights to water that originate on those lands held in public trust. And I was very happy about your attitude toward that.

I would note in the interest of environmental issues that we have several streams in the State of Montana that have been declared wild and scenic rivers. And we know we went through a terrible drought this last year and the year before in our state. We know the importance of water in Montana and the importance to the rest of the states on downstream. We are the headwaters of the Missouri River, and it's very important to those people that live downstream.

What attitude would you have toward off-stream storage—in other words, in high runoff times, the ability to divert some of that water for off-stream storage for use later on in the dry season, could we protect in-stream flows and this type of thing? Have you developed any kind of an attitude toward that while still addressing the issue of keeping the river wild and scenic?

Mr. **Lujan**. No, I have not given any thought to the issue, but it would seem to me we do that in rivers by dams and that sort of thing. We have just declared the Chama River in New Mexico as a Wild and Scenic River, and it does have a dam a little further on down.

I'd have to look a little more into that, but just to—well, I better stop at that point.

Senator **Burns**. Well, I'm not advocating a dam on the river as such. I want to keep that river wild and scenic and in its normal state. I would just look into policies of maybe storing more water off-stream during the high runoff times. I was wondering what your attitude would be on that. 6

Do you see developing any kind of a policy as far as the administration of lands that are held with the Bureau of Land Management, of some of those areas going into what are so-called designated wilderness areas? That's a concern to the State of Montana and to those people who are in the business of harvesting that renewable resource called grass. I would be interested in your attitude or your philosophy on that.

Mr. LUJAN. Well, that will evolve as a policy of the Congress. As you know, the BLM now is making the studies on which should be Wildernesses. We started on the New Mexico Wilderness, as Senator Domenici can tell you, last year, and on the question of reserved water rights and on the question of grazing, that kind of stopped. And that is going to have to be a decision that comes from the Congress to determine just what those policies will be.

I have never in the past particularly thought there was anything wrong with animals grazing anywhere. I think that is part of nature. That is not something that I would find very offensive. However, it just depends on what the law is on the particular issue. I know that in some places, we can do some grazing where we have specifically stated so in the legislation, but that has to come in each individual case from the Congress when you consider those wildernesses State by State.

Senator BURNS. Basically, do you subscribe to the philosophy of multiuse?

Mr. LUJAN. Yes, sir.

Senator BURNS. I have no further questions, Mr. Chairman. Thank you very much.

The CHAIRMAN. Thank you, Senator Burns.

Senator Wirth?

Senator WIRTH. Thank you very much, Mr. Chairman.

Congressman Lujan, thank you very much for agreeing to take this on. I am looking forward to working with you. We were in the House together for 12 years and served on the Science Committee and went through a lot of projects together, and we have a great deal of New Mexico history together.

Mr. LUJAN. Yes, sir.

Senator WIRTH. So, we welcome you and look forward to a distinguished tenure at the Interior Department.

Mr. LUJAN. Thank you.

Senator WIRTH. You come, as you know, at an extraordinarily interesting time in which I think a lot of the rules of the job that you are about to undertake are changing, in which the ways that all of us think about the globe are changing as well. All we have to do is think about the troubles of this beleaguered planet, running all the way from issues of ozone depletion, which your predecessor had commented on in such a distinguished fashion——

[Laughter.]

Senator WIRTH [continuing]. The issues of air pollution, which are affecting cities from Los Angeles to Portland, Maine, to Mexico City, to Bangkok, to every place. People are deeply concerned about what they are breathing. We think about ocean dumping and needles washing up on the beaches of New Jersey and erosion of beaches all the way around the world. One issue after another. Population pressures, destruction of the rain forest.

As you know, I just returned from a very extensive trip to Brazil in which we were looking at the rain forest there, the lungs of the world, being destroyed at the rate of a football field per second or destroyed at the rate of the size of the State of Pennsylvania per year. I mean, truly a very alarming situation.

The broad issue of global warming, which you and I have discussed, probably the largest environmental issue of them all.

All of these suggest to me that we are at a point where ecological systems in the world are stretched. And we have a job to make sure that they don't get to the breaking point. If they do break, the world is going to change in a dramatic way, and I don't think any one of us wants to see that happen.

The alarm bells, it seems to me, are going off. And those alarm bells require that all of us think in a very different kind of a fashion. The country is getting concerned about that as you know. This has been the cover of Newsweek and the cover of Sports Illustrated—I suppose that is an indication of very significant progress—the cover of U.S. News, and Time magazine, which turned their "man of the year" issue into one on the planet of the year.

I think that people are asking us to think differently, think differently and understand that we cannot put the development hat on as we once did. We cannot look at our natural resources in a purely extractive way as we once did.

That comes right back to I think your set of responsibilities at Interior. Let me give you a number of examples of how I think that hits, and maybe we can have just a brief conversation about that.

The first is one that you and I have talked about, one that is going to be front and center, and that's the issue of ANWR. It used to be that the old way of thinking was that we would extract resources at any cost. I think we are now coming to understand that the economic assumptions under which the projections were made at ANWR, $40 a barrel oil, are singularly unrealistic, and that in fact we ought to be able to save significantly more oil than could ever be produced at ANWR if we only maintain the CAFE standards of automobiles. And yet, rather than look at maintaining fuel-efficient automobiles, we have lowered those standards from 27.5 to 26 miles per gallon—why is beyond me—producing more carbon dioxide, and entering ourselves into a regime where we are going to demand more oil. And then we come around and say we ought to go out and drill ANWR. What we are effectively saying is let's drill ANWR for the purposes of fueling a lot of gas-guzzling automobiles. I mean, it just makes no sense at all in this dramatically changing world.

Now, this has become, as you know, probably the most symbolic issue of the domestic environmental battles, and in many ways, the lines are getting drawn. George Bush has said that he is deeply concerned about the environment. And yet, there are commitments made to go and drill ANWR. It seems to me that those are mutually exclusive with his goal and he is going to run himself right into an incredible meat grinder immediately.

I know that you will be a good steward of the administration's policy. I bring up ANWR only to point out that I think it would be—if I were you, counseling the President, I would say don't take this one on as your first item out of the box because it runs against what he said he wants to do. It runs against worldwide trends. And I would hope that he wouldn't do that.

I don't know if you want to make any comments on ANWR.

Mr. LUJAN. Well, it's a proper time perhaps to make one comment about that. As I told you yesterday, one of the things that I will try to do in administering all of these lands is to try to sit down and talk about things and try to come out to a mutually agreeable solution.

I'm not happy that the line has been drawn, you know, like don't cross this line—or when we were kids, you would put a chip on your shoulder and say "knock it off if you dare." It seems to me like there ought to be some flexibility and that we can give in somewhere and maybe—you know, different sides. That bothers me a little bit that we're starting off in a confrontational way, and that is not an appealing way to me to do things.

But you are absolutely right in that we have to change our way of thinking. I don't suppose that 15 years ago I would have given the same opening statement that we have today.

Senator WIRTH. I understand.

Mr. LUJAN. And I think all of us are more sensitive to the environment than we used to be.

Senator WIRTH. Well, I appreciate that.

Last year Senator Evans and I tried to put ANWR in the context of an overall energy policy. It shouldn't stand out all by itself, but it ought to be part of a policy that also deals with conservation. That deals with alternative energy programs and deals with a whole variety of other areas in which ANWR ought to be seen in a context and not by itself. And maybe that is the way of getting away from the line being drawn in the sand. And I hope we have a chance to work on that.

Rethinking this, just another point that we mentioned briefly yesterday. Senator Heinz and I have spent a lot of the last year working on what we have called Project 88 which is an attempt to take economic incentives and apply them to issues of the environment. And over the last 8 years we have seen deregulation and economic incentives governing just about every sector of the economy except that of the environment. But it seems to us that there is an awful lot of opportunity there.

We have presented this to people in the White House, and I understand there is a good deal of interest in the possibility, for example, of thinking, instead of a major command and control approach to clear air, that we could move on a tradable permitting approach.

This also applies to water issues, over which you have a lot of jurisdiction Instead of southern California draining Yosemite to bring more water to Los Angeles, maybe we can go about removing the barriers to conservation of water including the "use it or lose it" doctrine in much of water law out there so that a farmer has no incentive to conserve that water and we should clarify that farmer's ability to turn around and sell that conserved water to Los Angeles. So, we are wasting water on the one hand, subsidized by the Federal Government for agricultural use, and yet we are draining Yosemite to feed a thirsty Los Angeles. It doesn't make a great deal of sense.

Looking at forests and forest lands and Bureau of Land Management lands, we need to recognize that there are other ways in which we can think about the value of those lands other than those associated with the extractive industries. And should we be subsidizing more timber roads, or should we be removing those subsidies and instead of making below-cost timber sales, let timber compete against recreation, skiing, hunting, fishing and so on which are other economic values which in many cases, as you know, are of much greater value to the West.

This is an opportunity, I think, to really rethink a lot of the ways in which we use many of the incentives that are out there for working on the mission that you're going to have.

Mr. LUJAN. I didn't read word for word the entire Project 88 report, but I was certainly impressed with the type of thinking that went into it in that what I felt you were saying was that people do things because of gain. And I don't mean just monetary gain, but gain in the environment or whatever it is that turns you on. And so, allow people to gain something for—to do something rather than the heavy hand of government coming and saying "thou shalt not do such and such," give incentives so that people do do certain things, and we'll be much more successful.

Senator WIRTH. Well, I think we have some opportunities there and let's work together.

If I might, Mr. Chairman, comment a couple of things that were brought up earlier, one on mining in wilderness areas.

Mr. LUJAN. Yes, sir.

Senator WIRTH. We have I think the need to take a look at this law again. For example, in Colorado in the Maroon Bells Wilderness Area, there was an old, absolutely economically unusable marble mining claim. A guy had that, went in, said that he was, under the law, entitled to go in there and mine this marble. Well, the purpose wasn't to mine the marble. The purpose was to hold up the taxpayer who wants to protect Maroon Bells.

A similar thing going on on Ajax Mountain at Aspen, you know, getting an old mining claim right in the middle of the ski area which isn't economically minable at all and saying I'm going to go out there and mine it for the purposes of effectively holding up the ski area.

It's a new kind of bank robbery. A hundred years ago, the guy used to gallop into town and hold up the Pitkin County bank with a mask over his head. Now, you hire two or three smart lawyers and you go to the county clerk's office and see what you can find. And it is bank robbery in a totally different form.

Mr. LUJAN. Some will say that lawyers have been in that business for a long time.

Senator WIRTH. Well, that's right. But here we should not be condoning that and allowing it. And what is happening to your budget is that you're getting held up in the process of having to buy out these specious claims, where there is no intent at all of doing any mining.

The oil shale issue that we discussed yesterday, is another one that we're going to have to carefully look at. We came very close to trying to work out an agreement on oil shale lands so that maybe the mineral rights would go to the claimholders and the surface rights would remain in the public realm. That represents the kind of balance that we could work out. I would hope that in mining and the kind of oil shale area, we would find ourselves working that out.

Mr. Chairman, I would like to make a comment, if I might, on reserved water rights. I should note that it is the courts and not the Solicitor that governs the interpretation of the law. It is not what the Solicitor says. The courts have said that there is a reserved water right that comes along with various public lands designations. And what we have to do is to determine where and what that reserved water right is going to be.

Now, I know there have been a lot of people for a long time who wanted to get rid of the Winter's Doctrine and wanted to get rid of any doctrine of reserved water rights. That isn't going to happen. And it seems to me on a case by case basis, as you tried to work out in New Mexico, as Senator McClure worked out in Idaho, Senator Evans worked out in Washington, and the Arizona people did on one of their arens, we ought to be able to do this on a case by case basis and sort it out, rather than getting into a huge ideological brouhaha. I know that you all tried to do that in New Mexico, and I hope that that kind of pragmatic approach characterizes the approach that you all take.

Finally, I should make a note about Animas-LaPlata. We had worked out with your help, Senator Domenici's, Senator Wallop's, and Senator McClure's, a very tricky arrangement on Indian water rights. And we have some obligations there. I think that we must meet those obligations, and honor the commitments made in the legislation last fall.

A final note. I would just ask you if you might pay some attention to the global warming issue. Particularly, your agency is steward for a lot of relevant responsibilities. The Geological Survey and the Bureau of Reclamation have responsibility for managing and projecting what our water resources are going to be. They are going to be impacted very dramatically. The Fish and Wildlife Service also has relevant responsibilities. The Chairman brought up the wetlands issue, and they have big responsibilities there. Something you might want to consider is setting up a task group in the Department to review what you are doing as this issue is coming down the track very, very rapidly so that our Interior Department is in a position to be able to respond looking toward the future.

Mr. LUJAN. Well, you know, USGS is the lead agency in the interagency group leading the whole global warming issue. And so, it is going to be a big issue, and I intend to look at that very, very carefully. It is going to be a big issue in Interior.

Senator WIRTH. Well, Manny, good luck and we look forward to working with you. Thank you very much for being up here.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Wirth.

Senator Wallop?

Senator WALLOP. Thank you, Mr. Chairman.

Let me suggest that I will not get involved in the debate that might have been just started over here. I would just suggest that no prudent nation, seeking to remain great, would rule out something like ANWR before knowing what was there. It seems to me that that's just prudence on the part of great nations.

I hope—and I know you well enough to feel comfortable about this. I hope you are not just a talking head for the administration.

I understand your necessity of being a team player once the decisions have been made, but we badly need you to argue some of the things that are brought up here in this committee with the Attorney General, with the OMB, with the President himself. Having said that, I know you well enough I think to feel comfortable with that. But don't get off on the idea that because something has been said in an exploratory way that it is necessarily going to be your road map until those decisions have been made.

Speaking of that, let me ask you about park fees because you were part of helping us put together a proposal that increased park fees with the idea in mind that they would be distributed back to the parks on a formula—classic user fee. The Park Service, the national parks would benefit from the fees that were collected and give them, one, incentive to collect the fees and, two, incentive to do some needed work within the parks of collection and within the National Park Service generally.

There has been a tendency to try to fudge that formula in such a way as to neutralize it. So, in fact, park visitors are not getting what their increase was supposed to pay for.

Can we count on you to be an advocate of trying to maintain that?

Mr. LUJAN. Absolutely, yes.

Senator WALLOP. I said that we were a neighbor of the Federal Government or it was of us, as a more appropriate description of it. We have no choice in that. I said sometimes it's a good neighbor, and by and large, I think the BLM under this administration has been a good neighbor. It has tried very hard. We have disagreed with some decisions, but agreed with a lot, and I think the circumstances that were part and parcel of the Sage Brush Rebellion have been neutralized by good management.

But now along comes the fire season which we have just seen with a fire policy with which we disagreed but had no role in, and could not have affected even though we made some rather public statements about the people involved in it. And we suffered a decline of about a third in our tourist industry. We suffered health problems. We suffered a great deal of anxiety in the state from the fires in Yellowstone. And now the Federal Government says we want you to pay half of the cost of fighting those fires when it had been our suggestion in the beginning that they do fight them with more seriousness.

I think that is being a bad neighbor, and I hope that before this budget review takes place you will say that the Federal Government has responsibility by itself for the programs and policies which it administers to the exclusion of the states.

Mr. LUJAN. Well, I do. I was involved with the rest of you when they were going to put the management fees and deduct those. And it is the same issue, and I still feel exactly the same way as I did then.

Senator WALLOP. Well, there is one other classic user fee once again under assault because of its success, and these are the Wallop-Breaux funds. They are, as you know, paid for by the consumers of boating fuel and imported fishing tackle, and it was agreed to by both the consumers and the corporate entities who merchandised and sold those.

The money has been successful. It is substantial, but it was to be devoted to the people who paid it, for boating safety, to fisheries enhancement, to access. And now, with the proposed budget, Wyoming stands to lose about $1.2 million. And, as you know, those funds are distributed on the basis of a formula of who spends the money in the first place.

In fact, users all over America—I'm concerned about mine, but I'm concerned about the integrity of that user fee concept and the trust fund—are on the threshold of having their enthusiasm for their support in the environment degraded somewhat by a government that wishes to use that money elsewhere.

May we depend on you to——

Mr. LUJAN. Well, I already have raised that issue, as a matter of fact.

Senator WALLOP. I appreciate it.

Mr. LUJAN. You know, the reason is, they tell me, that it certainly has been successful. It has been too successful in their eyes. And so, you know, that's a good way of balancing the budget, with which we all agree.

Senator WALLOP. We can lower the tax or do something else if that's—but at least——

Mr. LUJAN. But I have already raised that issue.

Senator WALLOP. One last thing, Manny, and I've got a couple of questions that I'll submit for the record.

Going back to what Senator Wirth was saying, be careful of those who would rather have the symbol than the solution. A valid mining claim is not valid if it's uneconomical by all the rules that exist by court decisions and other things. It is important that they cannot wave the flag of a symbol of rippers of the environment on the basis of a thing that is not in the first place a valid argument.

But we have new coal valuing regulations that are proposed. Wyoming joined other western states in supporting an all-inclusive definition of gross proceeds that was consistent with the interpretation for oil and gas valuation. But the new way of calculating the coal royalties is contrary to that recommendation, and it comes at a time when our states are really hurting for revenues that are used by the rest of America—the resources of which are used. So, we stand to lose revenues not only from the coal valuation changes, but also from the new rental reduction rules and the possible extraordinary cost allowance provisions and the proposal, as I mentioned, to deduct fire fighting costs and mineral receipts prior to the distribution to the counties.

My question is will you take another look at the impact and justification for these regulations, and will you try to delay the effective date of these and the rulemaking until we can get the impact of them fully assessed?

Mr. LUJAN. Let me tell you we had heard when I was in the Congress—we had heard from the Governor about the impact of those to the State of New Mexico—the new valuations and all of that. And I had raised the issue with the then Secretary of the Interior, of course, and my thinking has not changed since then.

Senator WALLOP. Thank you, Manny.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Wallop.

Senator Bradley?

Senator **Bradley**. Thank you very much, Mr. Chairman.

Congressman Lujan, I enjoyed our conversation yesterday. I felt it was very helpful, and I just want to go over one or two points.

This is a very diverse committee. We come from a lot of different states—New Mexico, for example, is quite different from New Jersey.

In New Jersey the issue is preservation of open space which is under enormous population pressures. As you know, about 25 percent of the state, the land mass of the state, is under a joint jurisdiction and a plan called the Pine Barons, the Pinelands National Preserve. What assurance can you give me and to other Senators from highly populated states about your sensitivity to issues that relate to population pressure and the need to preserve open spaces?

Mr. **Lujan**. Well, there is no question. I am sensitive to it. There is a great need to preserve those open spaces in those populated States, and I am very sensitive to it. And I will be happy to, as I told you, work with you on proposals that might be coming up. I'll be very sympathetic.

Senator **Bradley**. With regard to everything from the Pinelands to the kind of pressure that we find on some of our state's other units of the national park system—for example, more people visited the Delaware Water Gap National Recreation Area last year than visited Yellowstone, it seems that it is not fully appreciated the kind of pressures that such a large population generates.

Mr. **Lujan**. I will make a concerted effort to understand that problem, Senator.

Senator **Bradley**. On another subject, with regard to the Bureau of Reclamation.

Mr. **Lujan**. Yes, sir.

Senator **Bradley**. In the Department of the Interior's budget book it said that the administration's plan—and I quote here—"redirects the Bureau's focus from project construction to water resources management. The emphasis will be on water management, improvement in the efficiency of existing systems, and nonstructural solutions to water resource problems." Do you support this orientation for the Bureau?

Mr. **Lujan**. Well, I think I do. What has happened, as I said yesterday, is that the Bureau of Reclamation is not as involved in dam building and those sorts of things as before, and so the focus will be on improving systems and probably looking at water conservation methods and those kinds of things. And, yes, I think that the time has come for that kind of thinking to emerge.

Senator **Bradley**. Will you advocate nominees to the relevant positions within the Department, nominees who understand and support those views—specifically, the commissioner, the assistant secretary for water and science and the solicitor?

Mr. **Lujan**. I think they all do now. I think that is the general policy within the Department of the Interior. I may be mistaken, but it just seems to me that that kind of thinking is something that everybody kinds of knows has to come along because of the changes in the mission of the Bureau of Reclamation.

I don't know if that fully—I guess what I'm trying to say to you is that the answer is, yes, that almost anyone that would be appointed would be cognizant of those changes within the Bureau of Reclamation.

Senator **Bradley**. Okay. Well, we won't get into that discussion right now, but I appreciate your reassurance on that issue.

Did you see the Washington Post last Thursday? The question for Mr. Lujan—you have it?

Mr. **Lujan**. Yes, sir.

Senator **Bradley**. Would you be prepared to give me an answer to that question in writing some time in the next week or two?

Mr. **Lujan**. Yes, sir.

Senator **Bradley**. Thank you very much.

Thank you, Mr. Chairman.

The **Chairman**. Senator Hatfield?

Senator **Hatfield**. Mr. Chairman, thank you very much.

I apologize, Mr. Secretary, I have been tied down in the Rules Committee this morning on impeachment proceedings and so, consequently, I was not able to be here at the beginning. And I will submit my questions basically to you in writing so as not to have to become redundant here in the questions that you may have already commented on.

But let me just highlight one or two areas of particular interest and give you an opportunity to make a record here this morning.

When your name was announced as the name to become the Secretary of Interior, there was substantial negative reaction from my state. And, as I indicated to you the other day, that was based primarily on the fact that on a bill that I introduced on expanding the wilderness designations in the State of Oregon which had overwhelming support both in this body and this committee, in fact, and in the Senate and in the House of Representative, that you were one of the few who voted against that particular piece of legislation.

Secondly, when I introduced a bill to preserve the Columbia River Gorge, which is considered one of the historic bits of legislation in the environmental area, again that had the support of this committee, bipartisan support, bipartisan support on the Senate floor, bipartisan support in the House of Representatives, you again were one of the few who voted against that particular piece of legislation.

I don't believe a formal vote was cast, but the information was made public that you also opposed my wild and scenic rivers bill or would not have been supportive of that type of legislation, adding 41 such rivers from one state alone to a national system of only 70 rivers, which again was a rather historic bit of legislation enjoying bipartisan support.

I don't want to continue the list, but one more example was legislation transferring a piece of BLM property that the President of the United States vetoed, but was overridden in the House. I am proud to say—and I have the vote chart—that it was overridden in the Senate by 95 to nothing which indicated rather substantial support for that particular piece of legislation. Five Members who were absent also informed me, had they been present, they would have made it 100 against the President's veto.

These raise signals to some people in my state that indicate that you were not sympathetic to a very high priority of the people of

Oregon and that is environmental legislation. I'd like to have you maybe share some of the thoughts you shared with me the other day as a part of the public record here today.

Mr. LUJAN. I certainly will. First of all, on the issue of the scenic and wild rivers, I don't know that I would have necessarily been opposed to it. I don't know. I have been a sponsor of wild and scenic river legislation in my own State. Last year, we designated one such river and I was the sponsor of it. So, I don't know your information that I would have opposed that.

On the wilderness designation, one of the reasons that I voted against that particular one—and let me tell you that of 44 wilderness bills that came before the House that I was able to chart, on which we had recorded votes, I voted in favor of Wilderness 31 and 13 against, which is kind of an indication that I don't oppose all Wilderness bills.

That particular one—and since you asked me about it, I checked on it—was because the recommendation was for some one-third of the total that the bill finally was. My reasoning for that is that we spent a lot of money—the Forest Service spent a lot of money to go out and survey those lands and come back and make a recommendation to us. And I felt that they really were very capable in doing those things. And when we went from a third to a full amount—I believe it was from 300,000 to almost a million or something like that.

Senator HATFIELD. Close to a million acres.

Mr. LUJAN. Yes. I thought that it was an excessive jump.

On the question of the Columbia River Gorge, I follow very much the thought of the Members of Congress that are involved. And that one—since Bob Smith and I served on the Committee together, he was opposed to it. I followed his lead on that.

I might also point out that not only in cases of Wildernesses but also of National Parks, my vote was of 48 bills, I voted for 40 of them, 8 against. Clean air, clean water, out of 39 bills, I voted for 33 of them. I think that is more an indication of my overall voting record rather than just one particular piece of legislation, Senator.

Senator HATFIELD. I appreciate your response.

Mr. Secretary, I have one little historic title that I like to repeat from time to time; that is, I have introduced more legislation on Indian matters than perhaps any person at least in modern history of the Congress.

Mr. LUJAN. Yes.

Senator HATFIELD. I believe very strongly in the developing of the sovereignty of the Indian tribes and in the restoration of their tribes and the reservation programs and so forth, land-basing this new recognition.

In more recent times particularly, but throughout my number of years of service here, the Indian tribes that I have dealt with have found frequently that the BIA is more of an impediment to their seeking such sovereignty as against being an advocate. More recently especially, the Cow Creeks, the Burns Paiute tribes, which were presently involved, the BIA has really been a major obstacle. I think you have heard this before, and my colleagues have also expressed some of the same views about the BIA.

Could we hope or expect sometime that under your administration that the BIA would become more of a sympathetic and understanding partnership in this general program of Indian legislation as against the perception that they really are a negative force?

I served on the first Special Select Committee on Indian Affairs, was on the Indian Review Commission preceding that. And I am not suggesting that I agree with everything that the Indian tribes propose as far as legislation or that we must do so merely because they propose it. But there have been a number of experiences I can say from my own record here of involvement in which the facts were pretty well stipulated and yet, in spite of the stipulation of those facts, they would choose the negative side of pursuing the conclusion to any particular effort or project and without really what you would call satisfactory reasoning. It was just sort of assumed the BIA would be opposed to it. We have gotten involved in that in school education programs and health programs and a lot of other programs.

I would like to think that maybe under your administration we might have a more sympathetic ear from the BIA on these things.

Mr. LUJAN. Well, I would hope so. In my opening statement, Senator, I made the point that I grew up in—I was born, as a matter of fact, in a place that is now an Indian Reservation. And so, I grew up in that culture, and I am very sensitive to those needs.

I have heard it said—I don't know how true it is—that every President since Lyndon Johnson has wanted to abolish the BIA, for one reason or another. So, there must be something that the BIA is doing right that all of these Presidents did not finally abolish it.

But if I find any insensitivity, let me tell you that we will correct that. And I would like to know if there is. Anytime that you hear of any, please contact me personally, and I will get personally involved.

Senator HATFIELD. You have a unique opportunity with your background and experience to give a new perspective, perhaps, to the whole relationship of BIA to the Department and to the people they are supposed to be serving.

There is one last point I want to make. As a member of the Appropriations Committee, we run into the situation that Senator Wallop touched on very frequently and especially in the areas of land management and resource management where the driving force of the administration's position has been determined not by the agency, but by the OMB, not determined on the basis of the best policies governing those agencies' management policies or programs, but more on a fiscal base which has to be considered. I do not say it's to be excluded. But I still feel that the director or the chief administrator of those agencies ought to be a strong advocate.

Yes, you are part of the administration. We would expect you to represent the administration position as finally determined in the OMB role that it plays in final determination. But when we ask questions about what is the professional hat that you wear, what is your response to the questions wearing the professional hat of a land administrator and a policymaker for natural resources, we would hope that you would not be the patsy for the OMB at that point. We would hope that you would be straightforward with our committees and give us your professional judgment. Sometimes we have to press people in the agencies or they feel so inhibited and so bound to represent the administration's "position" but that administration's position has been determined not by them or their agency advisors and participants, but especially as a fiscal problem—as a fiscal matter determined by OMB.

Mr. LUJAN. And I understand that, and I intend to support those policies that I think are proper very strongly. Now, of course, when one comes to testify afterwards, one can't very well oppose the decision of the administration because that is what I am called upon to uphold. But that doesn't mean—and the President has told us that—we can't go in there and give our opinion very strongly and then, of course, walk out as friends. But I don't intend to be a shrinking violet, if that's a proper term when it comes to moving the agenda of the Department.

Senator HATFIELD. Thank you. And I will submit my other questions to you.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Hatfield.

We will keep the record open for written questions until 5 p.m. today. And I would urge you, Congressman Lujan, to try to answer those right away because——

Mr. LUJAN. We are prepared to work through the weekend on the questions.

Senator MCCLURE. Mr. Chairman, I would ask unanimous consent that the opening statement by Senator McConnell be inserted in the record at the appropriate place.

The CHAIRMAN. Without objection.

[The prepared statement of Senator McConnell follows:]

STATEMENT FOR CONGRESSMAN MANUEL LUJAN'S CONFIRMATION HEARING

JANUARY 26, 1989

SENATOR MITCH MCCONNELL

Mr. Chairman, Mr. Lujan, I am most delighted the Energy and Natural Resources Committee is now holding the confirmation hearing on President Bush's selection for Secretary of the Interior. I have been extremely pleased and encouraged by the President's excellent cabinet selections. Manuel Lujan is certainly no exception and I believe that he is a fine choice. While I am sorry you did not have the chance to enjoy your retirement from Congress, we are all very pleased to see you back in Washington with the opportunity to be part of the new Administration leading us into the 1990s.

As he assumes his new responsibilities, Mr. Lujan will bring with him the knowledge, experience, honesty and integrity necessary to carry out his new position. His 20 years of experience in the House of Representatives, where he served as a key member of the Interior and Insular Affairs Committee, will lend great insight into the administration of his duties. While we can never predict the future with any degree of accuracy, I think we can all safely predict that Manuel Lujan will do his job to the best of his ability and will work well with Congress. I am confident that Mr. Lujan is someone who cares about this country's great lands and resources, while continuing to take into consideration our nation's present and future energy needs. Although this is not an easy task, I am of the belief that Manuel Lujan is the type of individual we can all depend upon to fulfill his responsibilities with competence and conscience.

Certainly there are many difficult issues which Mr. Lujan will be facing as Secretary of the Interior. Many of my colleagues have already addressed and will address many of these issues during this confirmation hearing. While I look forward to dealing with many of these domestic policy concerns, I am particularly interested in dealing with the issue of Surface Mining. Obviously, because of all our good Kentucky coal, Senator Ford and I are extremely interested in the future of coal mining in this country. Although I have been encouraged by the progress that has been made by the Reagan Administration to develop a positive relationship with the coal industry, there is still somewhat of a combative atmosphere present which needs to be further alleviated. Regulation and enforcement must not only be fair, but must be consistent as well. Coal operators need to know what to expect and should not face the unenviable position of dual enforcement from State and Federal agencies. I am pleased to say that some progress has been made. However, much should and can be done to facilitate the environmentally sound mining of coal without unnecessary and burdensome regulations.

In closing, I am sure Senator Ford would join me in inviting you to the Commonwealth of Kentucky to visit some of our mining operations. We know you are familiar with mining in general, particularly western mining, but I would encourage you to personally witness some of the unique problems experienced by eastern coal mining and observe the fine job that the mining industry does in Kentucky.

Manuel, I believe President Bush has made an excellent choice. I look forward to working with you. And, might I say Mr. Chairman, it is a pleasure to be a new member of this very distinguished committee and I look forward to working with you as well.

Mr. Lujan. If I may follow upon that, I summarized my statement, so if it could be made part of the record.

The Chairman. Yes, indeed.

Thank you very much, Congressman Lujan. You have passed with flying colors today.

Mr. Lujan. Thank you, sir.

The Chairman. We have some public witnesses which I would ask the first panel to come forward: Mr. Nick Benton, Washington Office Director of NDPC in Washington; Tom Donnelly, Executive Vice President of NWRA from Washington; Michael S. Clark, President of the Environmental Policy Institute; and Barry Tindall, Director of Public Affairs for the National Recreation and Park Association of Alexandria, Virginia.

Gentlemen, I am sorry the time is so limited. We actually have a conference meeting, a Democratic conference, which started at 12 and an appropriations meeting this afternoon starting at 2. So, I apologize, but we must principally accept your written statements and just give you a couple of minutes to give a highlight unless there is something extraordinary that you have to say, in which event we would try to schedule you another day. But we will read the statements, and I'm sure that Congressman Lujan will read those statements as well.

STATEMENT OF NICK BENTON, WASHINGTON OFFICE DIRECTOR, NATIONAL DEMOCRATIC POLICY COMMITTEE

Mr. Benton. I am happy to be here as a spokesman on behalf of the National Democratic Policy Committee. Just as a matter of correction, I am not an official of the NDPC. I am simply here speaking on its behalf based on the content of the testimony which I prepared for you and my interest in it.

I worked with former U.S. Senator Frank Moss of Utah who in the 1960's did spearhead a Senate investigation into the feasibility of the transfer of large amounts of water from northwest Canada and Alaska, the project known as the North American Water and Power Alliance, NAWAPA. And this was a program which was popular and widely discussed in the Congress in the 1960's.

With the drought of last year highlighting the fact that the Nation has brought itself to the point of extreme vulnerability with regard to fresh water resources, it is our conviction that the capture and utilization of this tremendous abundant renewable resource that exists in the northwestern part of this continent and the ability to turn that around by gravity flow to provide upwards of 180 million acre-feet of fresh water throughout most of the continent to fulfill the needs that are increasingly becoming evident is a project that we're not going to be able to overlook in the very near future.

It's simply the recommendation of the National Democratic Policy Committee that in your deliberations on the confirmation of Representative Lujan that you encourage him to make an investigation of the feasibility of the NAWAPA project a priority for the Department of the Interior. And the time is long overdue to do this given the lead time required to build it.

I am available to answer any questions at this or any future time with regard to the feasibility of financing such a large scale project, the environmental impacts of such a project, how it could actually benefit the economy in terms of jobs provided, potential for new development, stabilization of environmental conditions and, of course, providing the abundance of water that's required for our agriculture as well as urban centers across the United States.

[The prepared statement of Mr. Benton follows:]

TESTIMONY OF THE
NATIONAL DEMOCRATIC POLICY COMMITTEE
TO THE
SENATE ENERGY AND NATURAL RESOURCES COMMITTEE
ON THE NOMINATION OF
REP. MANUEL LUJAN
AS
SECRETARY OF THE INTERIOR

JANUARY 26, 1989

TESTIMONY OF
THE NATIONAL DEMOCRATIC POLICY COMMITTEE
TO THE
SENATE ENERGY AND NATURAL RESOURCES COMMITTEE
ON THE NOMINATION OF
REP. MANUEL LUJAN
AS SECRETARY OF THE INTERIOR

January 26, 1989

To the Honorable Members of the
Senate Energy and Natural Resources Committee,

The National Democratic Policy Committee (NDPC) is an independent political action committee founded by former Democratic Presidential candidate Lyndon H. LaRouche Jr. I have been asked to speak on its behalf concerning your deliberations on the nomination of Rep. Manuel Lujan as Secretary of the Interior. While I have no position on whether Rep. Lujan should or should not be confirmed, it is my purpose today to provide insight into some of critical issues that must be taken into account in your inquiry.

In particular, it is of utmost importance that the nominee be able to lay out a plan for dealing effectively with the rapid deterioration of the nation's most vital natural resources which have occured through lack of sufficient development in recent decades.

Last Summer's record drought reminded us of the fact that fresh water is among our most vital resources -- surely something that none of us can survive without. Experts have been warning for many years of an emerging water shortage crisis throughout the North American continent. It did not start with a one-time drought last year, nor would it be necessary to prove last year's drought was the beginning of any long-term global warming or other trend, in order to demonstrate the threat posed to our nation by this dangerous water depletion problem. The drought of 1988, which may extend into 1989 as recent reports on shortages of winter crops in the Midwest already indicate, only confirmed that our national economy has already become alarmingly vulnerable to the slightest vicissitudes of nature because we have neglected means to provide new resources of fresh water for so long.

Let me remind you that Congress spent six million in the 1970s on the so-called High Plains Study in an effort to find a solution to the fact that the Ogallala aquifer, which provides irrigation for 11 million acres of cropland in five states on the High Plains, has been dangerously depleted and could dry up completely by the end of the century. Twenty-two percent of all the nation's agricultural exports and 49% of her beef come from this effected area. No action was taken on the results of the study, and the problem persists.

Depletion of the Colorado River, especially in the face of increased demand, threatens the urban concentrations as well as agricultural potentials of southern California and Arizona, and there is no state or Congressional district in the union which is not similarly threatened by the current trend toward depletion of existing fresh water resources.

What is Rep. Lujan's plan for dealing with this imminent crisis, one we can no longer afford to avoid?

Conservation of existing resources is certainly no solution. For agriculture, it has been found that "drip irrigation" and other conservation techniques destroy the soil by not permitting minerals and impurities to be leached out. For urban areas, lack of abundant fresh water presents potentially catastrophic public health problems. Taking acreage out of agricultural production, or reducing the intensity of protosynthesis per acre, either as a result of government set-aside policies or bad economic conditions for farmers, reduces respiration with the atmosphere, and contributes to reduced rainfall levels. "Economical" aquifer recharge methods run a massive risk of contamination.

I submit that there is a solution to this crisis, one with which Rep. Lujan is familiar from his many years in Congress. It is known by the name of the North American Water and Power Alliance (NAWAPA), because that was the name given to the plans drawn up by the Ralph Parsons Company of California in the early 1960s for diverting 185 million acre feet of surplus fresh water a year from the northern-flowing rivers of northwest Canada and Alaska southward to positively impact virtually every province of Canada, two-thirds of the "lower 48" U.S. states, and most of northern border states of Mexico.

This plan was studied by a Special Subcommittee on Western Water Development of the Senate Interior Committee in 1964, led by former Sen. Frank Moss (D-Moss). Sen. Moss remains convinced to this day that the plan is feasible, practical, and the inevitable solution to the water shortage crisis that confronts us.

According to the studies done by the Parsons Company, diverting only 15 percent of the fresh water from the northwestern region of the continent, in a downhill flow that would create a massive surplus of saleable hydroelectric power, would bring an enormous new supply of water to the regions of the continent that need it most. Only special interests prevented Congress from taking further action on the plan in the late 1960s.

While reservations about the plan exist among some current Canadian leaders, the idea originated with Bill Eberheart, the former Premier of Alberta, in 1948. Canada would benefit enormously, providing for its own agriculture and developing a precious reneweable resource saleable to the U.S. and Mexico.

Creative ways for financing the large cost of such a great project can be found that will not effect taxes or the federal budget deficit. Its potential for generating new jobs and new wealth far outstrips its initial construction costs. In fact, no cheaper means of providing the large new resources of fresh water we need exists. I will be glad to provide any details you wish on the feasibility of this plan.

If you decide to confirm Rep. Lujan, it should be with the mandate that he aggressively explore this plan. Thank you.

-30-

BASIC QUESTIONS
ABOUT THE FEASIBILITY OF DIVERTING ALASKAN AND CANADIAN WATER TO SERVE THE CONTINENT'S NEEDS

1. WHAT IS "NAWAPA"?

"NAWAPA," the "North American Water and Power Alliance," was the name given to a study conducted by the Ralph Parsons engineering company of Pasadena, California, in the early 1960s to explore the feasibility of tapping the massive flows of surplus fresh water that run off annually out of the northern-flowing rivers of Canada and Alaska to serve the water and hydroelectric power needs of the entire continent.

Recognizing that a huge percentage of the fresh water that hits on land in the form of rainfall or snow on the entire planet lands in the northwestern portion of this continent, and flows untouched by anyone into the oceans, and recognizing the water shortage crises facing the continent in the future, far-sighted engineers at the Parsons Company devised a comprehensive, long-term master plan based on utilizing this precious renewable resource.

The concept became the subject of a U.S. Senate inquiry, conducted by Sen. Frank Moss (D-Utah), chairman of the Special Subcommittee on Western Water Development of the Senate Interior Committee, in 1966, and was proposed as the solution to the continent's pressing water needs in a book published the same year by Rep. Jim Wright (D-Texas) entitled, "The Coming Water Famine."

2. WHAT IS "NAWAPA'S" SCOPE?

The study determined that by tapping only 15% of the total water flowing through these rivers, and diverting it to a reservoir that could hold almost 500 million acre feet of water in the "Rocky Mountain Trench," a 500-mile long, 10-mile wide geological formation roughly on the British Columbia-Alberta border, that over 180 million acre feet of fresh water annually could benefit virtually every province of Canada, 33 of the contiguous continental United States, and five northern provinces of Mexico.

The water would flow in three directions: (1) eastward across the Canadian plains provinces, providing water for irrigation there, as well as a nagivable canal that would connect the Pacific Ocean to the Great Lakes, allowing for the regulation of Great Lakes and St. Lawrence seaway water levels for the first time; (2) southward across the Sawtooth Mountains in Idaho through Utah and Nevada into southern California, where it would provide 10 million acre feet a year, Arizona, New Mexico and northern Mexico, where it would provide 22 million acre feet a year, causing deserts to spring to life, and alleviating the burden on the overtaxed Colorado River; (3) southeasterly across Montana and the Dakotas, where it would recharge the depleted Ogallala aquifer on the High Plains, raise the level of the Missouri and Mississippi Rivers, and link the Canadian

Plains with the Mississippi by a navigable canal.

3. WHAT IS "NAWAPA'S" COST?

In 1964, the Parsons Company estimated the total cost of "NAWAPA" at $100 billion, with land acquisition, materials and labor being the major components. However, they also projected that the project would pay for itself in 20 years through the sale of water and abundant surplus hydroelectric power at competitive prices. Some of the 70,000 megawatts of surplus hydroelectric power -- derived from the fact that the water flows downhill out of the high Canadian Rockies throughout virtually the entire system -- will be available in the first years after construction begins. In addition to the direct payback from the project, of course, there is the virtually limitless potential for growth throughout the areas that will be positively impacted by the project.

It has been suggested that "NAWAPA" could be financed without costing taxpayers a cent: by a cooperative agreement of the governments of the U.S., Canada and Mexico to establish a corporation that would finance the project by issuing long-term bonds that can be repaid from the profits of the system, itself.

In figuring cost factors, two things must be kept in perspective: (1) that the yields that will derive from the investment far outrun the cost, and (2) that the penalty for failing to meet the continent's water needs with an effective program of this kind is overwhelming. It will become impossible to quantify the losses, due to drought and long-term water shortages, that increasingly menace whole regions of the continent.

4. HOW FAST COULD IT BE BUILT?

In 1964, it was estimated it would take 20 years to complete all 369 components of the entire system. However, using state of the art earth moving and construction technologies, plus a "crash program" approach today, it could be done in less than a decade, providing tens, if not hundreds of thousands of jobs in the process.

5. WHAT ABOUT ENVIRONMENTAL FACTORS?

"NAWAPA" would enhance the environment of the entire continent by enabling growth of vegetation, thus lowering the temperature and increasing natural rainfall. If the theories of those who espouse the so-called "greenhouse effect" have merit, then "NAWAPA" becomes even more necessary, distributing the increased rainfall such theorists predict for northern Canada to the areas they foresee will be parched for decades to come.

For further information, contact the North American Water and Power Action Committee (NAWAPAC), 400 James Court, Falls Church, VA 22046. (703) 533-1029.

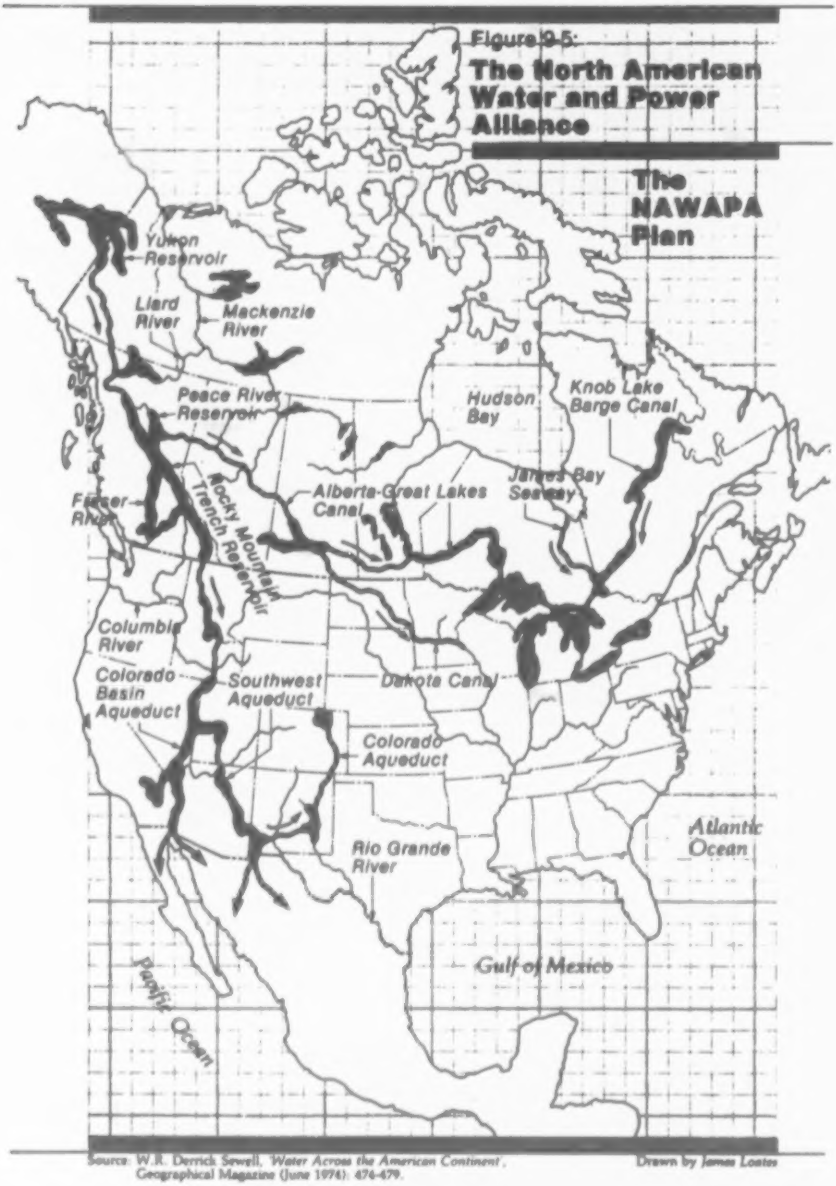

Figure 9.5: The North American Water and Power Alliance

The NAWAPA Plan
Yukon Reservoir
Liard River
Mackenzie River
Peace River Reservoir
Fraser River
Rocky Mountain Trench Reservoir
Alberta-Great Lakes Canal
Hudson Bay
Knob Lake Barge Canal
James Bay Seaway
Columbia River
Colorado Basin Aqueduct
Southwest Aqueduct
Dakota Canal
Colorado Aqueduct
Rio Grande River
Atlantic Ocean
Gulf of Mexico
Pacific Ocean

Source: W.R. Derrick Sewell, 'Water Across the American Continent', Geographical Magazine (June 1974): 474-479.

Drawn by James Loates

Map reprinted from: Robert Bourassa, Power from the North. Scarborough, Prentice-Hall Canada, Inc., 1985.

The **Chairman**. Thank you very much, Mr. Benton.

Mr. Donnelly?

STATEMENT OF THOMAS F. DONNELLY, EXECUTIVE VICE PRESIDENT, NATIONAL WATER RESOURCES ASSOCIATION

Mr. **Donnelly**. Thank you, Mr. Chairman.

Mr. Chairman, Senator McClure, members of the committee, I am Tom Donnelly, the director of the National Water Resources Association, and I appear before the committee today on behalf of our members to present our unqualified support of President Bush's selection of Manuel Lujan, Jr. to be the Secretary of the Interior. I will not go through his qualifications.

Mr. Lujan has been actively involved in virtually every major issue affecting the management and development of our Nation's natural resources over the past 20 years. While we have not always agreed with Mr. Lujan's position on various issues, we have found him to be honest and fair in his dealings with all special interests. President Bush was looking for a Secretary of the Interior who would strike a much needed balance between the development and conservation of our country's natural resources and the protection of our environment. We believe he has found such an individual in Mr. Lujan.

Senator Bradley referred to an article in the Washington Post. I would just like to make a couple of comments about that. It was entitled "A Question for Mr. Lujan." The editorial points to President Bush's—it deals with an issue in the Central Valley renewal of contracts. The editorial points to President Bush's campaign promise to be a strong environmental President as justification for violating a contractual obligation of the Federal Government. It intimates that a 1969 law should be enforced, while a 1956 law be ignored.

I would like to remind the Washington Post and the environmental community that President Bush made another commitment and you have already heard that stated today that great nations, like great men, must keep their word. And we believe that that's the case for the President, for the Congress. The 1956 law which they wish to simply dismiss out of hand is just such a commitment.

Most of the water related decisions and conflicts that will be faced by the Secretary of Interior and this Congress boil down to control, who will control the water and how will that control be gained. In determining the answers to these questions on each issue, we urge the Secretary to respect state primacy, interstate compacts and the contractual obligations of the United States.

In conclusion, the board of directors and the membership of the National Water Resources Association strongly endorses Mr. Lujan to be the steward of this Nation's natural resources.

Thank you, Mr. Chairman.

[The prepared statement of Mr. Donnelly follows:]

NWRA

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STATEMENT

of

Thomas F. Donnelly
Executive Vice President
National Water Resources Association

before the

Committee on Energy and Natural Resources
United States Senate

in support of
the President's selection of
Manuel Lujan Jr.
to be
Secretary of the Interior

January 26, 1989

Mr. Chairman, Senator McClure and Members of the Committee:

I am Thomas F. Donnelly, Executive Vice President of the National Water Resources Association. I appear before the Committee today on behalf of our members to present our unqualified support of President Bush's selection of Manuel Lujan Jr. to be the Secretary of the Interior.

The National Water Resources Association (NWRA) is a nonprofit Federation of state associations, individuals, and industry representatives dedicated to the conservation, enhancement, and efficient management of our Nation's most precious natural resource - WATER. The NWRA is the oldest and most active national association concerned with water resources policy and development. Its strength is a reflection of the tremendous "grassroots" participation it has generated on virtually every national issue affecting western water conservation, management, and development.

Congressman Manuel Lujan has served the First District of New Mexico with distinction for twenty years. He served on the House Committee on Interior and Insular Affairs, becoming the Ranking Minority Member of the Committee in 1981. During that time, Mr. Lujan was actively involved in virtually ever major issue affecting the management and development of our Nation's natural resources.

While we have not always agreed with Mr. Lujan's position on various issues, we have found him to be honest and fair in his dealings with all special interests.

President Bush was looking for a Secretary of Interior who would strike a much-needed balance between the development and conservation of our country's natural resources and the protection of our environment. We believe he has found such an individual in Manuel Lujan Jr.

With your indulgence, Mr. Chairman, I would like to digress for a moment to give an example of a perspective that is out of balance. On Tuesday of this week the *Washington Post* ran an editorial entitled, "A Question for Mr. Lujan." The editorial dealt with the renewal of water supply contracts in California's Central Valley. It suggested that in order to do the right thing Mr. Lujan and President Bush must "by fiat" reserve contract water for other environmental purposes. The editorial points to President Bush's campaign promise to be a strong environmental president as justification for violating a contractural obligation of the Federal Government. It intimates that a 1969 law (the National Environmental Policy Act, 42 U.S.C. 4321) should be enforced while a 1956 law (43 U.S.C. 485h1-5) be ignored.

I would like to remind the *Washington Post* and the environmental community that President Bush made another commitment. In his Inaugural Address to the American people he said, **"Great nations like great men must keep their word. When America says something, America means it, whether a treaty or an agreement or a vow made on marble steps"**. The 1956 law which they wish to simply dismiss out-of-hand is just such a commitment.

On November 10, 1988, the Solicitor of the Department of the Interior issued his opinion regarding the renewal of the Friant Unit contracts. We believe that opinion is justified and in keeping with all the laws of the United States. Regardless of this apparent difference of opinion, this issue is now in the courts and we do not believe that it is an issue in which the Secretary, the President, or the Congress should become involved at this time.

Another issue on which the Secretary will be asked to take a stand is the so-called "double subsidy issue." Critics claim that the production of surplus crops with below-cost water significantly contributes to the supply of crops currently declared in surplus by the Department of Agriculture. In reality less than two percent of the surplus crops produced in the United States are grown using Bureau of Reclamation project water. Furthermore, a high percentage of that two percent is used to feed livestock and does not contribute to the unmarketable surplus.

Most of the water related decisions and conflicts that will be faced by this Secretary of the Interior and this Congress boil down to control. Who will control the water, and how will that control be gained?

In determining the answer to these questions, on each issue, we urge the Secretary to respect state primacy, interstate compacts, and the contractural obligations of the United States.

In conclusion, the Board of Directors and the membership of the National Water Resources Association strongly endorses Manuel Lujan Jr. to be the steward of this Nation's natural resources.

Mr. Chairman, I wish to thank you and the Committee for this opportunity to testify today and I will attempt to answer any questions the Committee may have.

The CHAIRMAN. Thank you very much, Mr. Donnelly.

Mr. Clark?

STATEMENT OF MICHAEL S. CLARK, PRESIDENT, ENVIRONMENTAL POLICY INSTITUTE

Mr. CLARK. Mr. Chairman, members of the committee, thank you for allowing me to testify.

I am the President of the Environmental Policy Institute, a national environmental organization which carries out research into the environmental issues. I also represent Friends of the Earth, an international environmental group which has chapters in 33 countries. Both of these groups have had extensive involvement with the Department of the Interior.

My testimony highlights two key areas which Mr. Lujan will have to face: first, the regulation of surface mining by the Federal Office of Surface Mining and, second, the unnecessary water projects of the Bureau of Reclamation. After eight years of misdirection by Secretaries Watt and Hodel, we believe these agencies need to be reclaimed for the American people.

For example, the Federal Office of Surface Mining has been severely crippled over the past eight years. The headwaters of our Appalachian rivers are being destroyed by surface mining.

Another example, this past fall, OSM proposed a regulation concerning the definition of valid, existing rights. If adopted this regulation could open up our national parks, wilderness areas, cemeteries, churches and other protected areas to coal mining. In order to stop this, the government would have to buy up these areas. It has been estimated it would cost $800 million to protect these areas. We think Mr. Lujan should be questioned about his attitude toward this approach.

Another example deals with the Bureau of Reclamation which has said that it is now turning away from its commitments to build big dams and yet, they are continuing to push ahead on several projects such as the Animas-LaPlata project in Colorado which has already been shown to be a loss in terms of returning economic benefits for the taxpayer.

These agencies need major immediate reform. We would like to hear more from Mr. Lujan about how he will deal with that.

In addition, my testimony documents in detail the congressional voting record of Mr. Lujan since 1973. Since that time, according to the bipartisan League of Conservation Voters, Mr. Lujan has voted against the environment more than 80 percent of the time over the past 15 years. Having reviewed this record which includes over 40 votes since 1983 alone, it is our conclusion that in light of the issues at stake and his consistent anti-environmental record, he does not meet our minimum criteria to become Secretary of the Interior.

Unless he is willing to reverse many of his earlier positions and make a commitment to work with citizens and commit himself to meeting the pledges made by President Bush in his campaign, we do not think he should be confirmed.

Mr. Chairman, we are fully aware of likelihood that Mr. Lujan will be confirmed. We stand ready to work with him. Our staff have found him to be a cordial, approachable Congressman and a man of great character and integrity. But looking at his voting record alone over 20 years, we are not sure he should sit in the most powerful conservation job in the world. We urge you to ensure that he has changed his positions from the past. We urge you to ensure the fact that he will move aggressively to enforce our environmental laws. If you do so, we think you will be sending a message to the American people that the dangerous era of Secretaries Watt and Don Hodel have finally ended.

Thank you.

[The prepared statement of Mr. Clark follows:]

ENVIRONMENTAL POLICY INSTITUTE

Testimony of

MICHAEL S. CLARK

President of the

ENVIRONMENTAL POLICY INSTITUTE

on behalf of EPI and

FRIENDS OF THE EARTH

before the

United States Senate

Committee on Energy and Natural Resources

Hon. J. Bennett Johnston, Chairman

Concerning the Nomination of

former U.S. Representative Manuel Lujan

to become

UNITED STATES SECRETARY OF THE INTERIOR

January 26, 1989

MR. CHAIRMAN and MEMBERS OF THE COMMITTEE, I appear on behalf of the Environmental Policy Institute and Friends of the Earth to testify concerning the nomination of former Congressman Manuel Lujan to become the next United States Secretary of the Interior.

For the record, EPI is a public-interest advocacy-oriented group dedicated to research and education on environmental issues in response to the concerns of local citizens' organizations. Founded 17 years ago during Congressman Lujan's second term in office, EPI's efforts now are concentrated in the areas of public health, energy, conservation of natural resources and global concerns -- such as ozone-depletion, massive deforestation and global warming. Friends of the Earth, founded in 1969, has 33 chapters around the world and works on a broad range of energy, water, public lands and atmospheric issues. Both groups have had extensive involvement with the Department of the Interior since their inception.

In summary, it is our mutual conclusion that in light of the issues at stake and Mr. Lujan's consistent anti-environment voting record throughout 20 years in the House of Representatives, he does not meet our minimum criteria to become Secretary of the Interior. We reluctantly conclude that unless Mr. Lujan reverses many of his earlier positions, makes a commitment to work with citizens to rectify serious environmental problems and commits to fulfilling environmental pledges already publicly made by our new President, Mr. Lujan should not be confirmed to this critical and prestigious Cabinet position.

Mr. Chairman, we are fully aware of the likelihood of Mr. Lujan's confirmation. We stand ready and willing to work with the new Secretary, as we have with his predecessors. Despite our strong disagreements with Secretary Hodel, our relationship was always open and cordial, and we were able to discuss issues of mutual interest. We are prepared to go the extra mile to work with the new Secretary on the critical environmental issues of the day.

The Secretary of the Interior is no less than the most important conservation job in the world. On November 30th, President-elect George Bush told a group of environmental leaders that we were to be pleasantly surprised by his nominees to environment-related positions. Unfortunately, we did not find this nomination to be a pleasant surprise because of Representative Lujan's long record of opposition to environmental causes. As environmental advocates, it is our job to speak up on behalf of the environment, to offer our views with clarity, and to do so even if the Senate is all but certain to reject our advice.

It is possible that the nominee and his appointees could make substantial progress in dealing with the numerous environmental challenges and bureaucratic crises today facing the Department of the Interior. Our professional staff members have found Congressman Lujan to be cordial, approachable and a man of character and integrity. We hope that in a year's time we will be able to say that our fears were not realized.

As Secretary of the Interior, Manuel Lujan will have direct responsibility for America's national parks, our national wildlife refuges, vast amounts of public land controlled by the Bureau of Land Management, the disposition of offshore oil drilling, the control of coal strip-mining activity, the dam-building and irrigation projects of the Bureau of Reclamation, and the Bureau of Indian Affairs.

In brief, we today are urging the Committee to consider whether this nominee is sufficiently sensitive and willing to manage the environment, the public lands, and the natural resources of our country in accordance with the mainstream wishes of the American people.

Our testimony is divided into four parts. At the outset, we describe the overwhelmingly unsatisfactory environmental voting record compiled by Mr. Lujan ever since such scorecards began to be prepared in the early 1970's. Secondly, we wish to remind the Committee of some of the environmental promises which President Bush made to the American people during 1988 -- commitments which Mr. Lujan will have to fulfill.

Thirdly, we shall focus on several of the grievous problems which have beset the Department of the Interior after eight consecutive years of malignant direction and benign neglect, specifically within the Office of Surface Mining and the Bureau of Reclamation, which itself sorely needs to be reclaimed. And finally, we wish to share the brief conclusions we have reached based on the available evidence.

I. Congressman Lujan's Environmental Record

The League of Conservation Voters (LCV) is the bipartisan electoral arm of the environmental movement. For nearly 20 years, the League has been compiling a national environmental scorecard disclosing how U.S. Senators and Representatives voted on the full range of environmental issues.

Congressman Lujan's overall average vote rating since 1973 could hardly have been worse, at only 18 on a scale of 100. In other words, Congressman Lujan, when given the opportunity repeatedly over the past 15 years, voted against the environment more than four out of every five times.

His most recent scores have been even worse: only 13 percent during the 100th Congress which ended last October; 16 percent in the 99th Congress; and a 7 percent (compared to the House average of 54 percent) in 1983. Indeed, his LCV rating last year was less than half that of his colleagues on the Republican side of the aisle. We must observe that not only has Congressman Lujan functioned substantially outside the entire stream of American environmental values, but his past voting record puts him at odds with the campaign commitments of the new Republican President on issues relating to the environment.

Ever since environmentalists have been keeping score, Manuel Lujan has been consistently voting gainst environmental cleanup and increased funding for environmental programs. He has voted against the preservation of our nation's public lands and in favor of the elimination of endangered species. As the record amply demonstrates in the document attached to this testimony covering more than 40 votes since 1983 alone, Mr. Lujan has voted against a restoration of crucial funds for the EPA, voted to protect small businesses which generate hazardous waste, voted in favor of environmentally-unsound water and dam projects, and against wilderness protection in Oregon and California.

In the 100th Congress, he co-sponsored a bill to open up the Artic National Wildlife Refuge for oil drilling. As Secretary of the Interior, he will have to make crucial decisions on this vital national wildlife treasure.

Additionally, Mr. Lujan voted against research and technical assistance for energy efficiency, voted against the Nuclear Freeze Resolution, voted to slash $6 billion in water pollution control funding, voted against the public's right-to-know about cancer-causing chemicals in our communities, voted in favor of continued blight on our highways by billboards, voted against family planning assistance to the United Nations, voted in favor of further nuclear weapons testing and minimal financial liability for operators of nuclear power plants -- and he routinely has been an opponent of acid-rain control.

In summary, there are Members of the House of Representatives who have worse environmental voting records. But not many.

Attached is a copy of Mr. Lujan's environmental record as compiled by our staffs.

II. The Legacy for Lujan: President Bush's Environmental Promises

As I mentioned, on the morning of November 30th, President-elect George Bush held a breakfast meeting with top leaders of the environmental movement and promised them that we would be pleased with his nominations for environment-related cabinet posts. But to us, based on his record, Manuel Lujan is a profound disappointment as nominee for the nation's chief land steward.

President Bush also has a record of campaign promises which bear review at this time, based on a compilation of quotations from speeches made by the candidate and published in The Washington Post, which also is attached to this document. President Bush campaigned strenously on a platform of renewed concern for the environment and repeatedly presented himself to the electorate as "an environmentalist".

Here are several of the commitments he made to the American people, pledges which would require Manuel Lujan to swivel 180-degrees in his Secretary of the Interior's chair, based on his Congressional record:

- George Bush promised to "enforce environmental laws aggressively"
- He promised to support many recommendations of the President's Commission on the Outdoors, ranging from creation of greenways and urban parks to protection of rivers, streams and wetlands.

- He pledged to give "a high priority to groundwater protection"
- "We must speed up the clean-up of toxic waste dumps" and "polluters should pay" for toxic waste clean-up.
- "We must begin to take effective action on acid rain" and allocate

  $5 billion for a program to develop new clean-coal technology
- "One of my first priorities" will be the "reauthorization, correction and strengthening" of the Clean Air Act with "reductions in those substances that contribute to acid rain"
- "George Bush's goal is no net loss of wetlands"
- Institute a complete ban on ocean dumping of sewage sludge after 1991

III. Serious Problems at the Department of the Interior

A basic problem with the Department is that it is statutorily in conflict with itself. Interior has a mission of protection of national parks, monuments and wildlife refuges along with a mission of water development, coal and oil exploration, and leasing of grazing lands. Under this basic condition it is essential that all the relevant arguments, viewpoints and considerations be examined before major decisions are made.

During the past eight years, however, there was scant attention paid to viewpoints about sustainable management, environmental protection, wildlife conservation -- and as a result, very little balance between the environment and development.

We believe that major problems exist with a number of bureaus and offices at the Department and wish to highlight some of those at the Office of Surface Mining and the Bureau of Reclamation.

As the new Secretary begins his tenure at the Interior Department, he soon will be certain to face the problem of what to do about the Office of Surface Mining (OSM). As ranking minority member on the House Interior Committee, Mr. Lujan should know only too well of the severe problems with OSM's documented failures in administering and enforcing the federal Surface Mining Act. In response to these problems, the agency has been investigated over the years by Congressional committees, the General Accounting Office, and by the Department itself. These investigations have pointed to consistent mismanagement at OSM and regular failures to carry out some of its most important mandatory duties.

These results have come as no surprise to those of us who voiced concern when former Reagan Administration Secretary James Watt first initiated an irresponsible campaign eight years ago, to render OSM's regulatory and enforcement capabilities helpless. Unfortunately, while Mr. Watt has long departed the scene, his agenda for OSM has been continued to this day by his successor, Secretary Hodel, and the OSM leadership. While many of Mr. Watt's policy changes have been overturned by Congress or the courts, its cumulative impact on OSM has been crippling.

Without question, the new Secretary faces major challenges at OSM. Perhaps his most overriding challenge will be to rebuild the agency itself. In this effort, it will be necessary to depoliticize and depolarize the agency and its work. Employee morale and expertise must be raised significantly. OSM needs to be instilled with a clear sense of purpose and defined mission according to its mandated responsibilities under the law.

Most of all, the agency needs to adopt sound management principles administered by a top management team that is independent of interest groups. To steer OSM back on course, this new leadership must institute a new policy of inclusion of all affected parties in the decision-making process, especially citizen organizations whose concerns and problems have been shrugged-off for so many years.

In addition, the Secretary will be immediately faced with some very serious policy problems at OSM, such as its extremely contentious and controversial regulatory program which has needlessly led to endless litigation, toothless regulations, and an unstable regulatory climate plaguing the program and the industry for more than a decade.

The new Secretary should immediately look at the outrageous regulation OSM proposed just several weeks prior to the inauguration. This proposed regulation concerning the definition of "Valid Existing Rights" (VER) could, if adopted as proposed, open up our national parks, wilderness areas, cemeteries, homes, churchs and other currently protected areas to coal mining.

Under this pending OSM proposal, if the federal government wants to protect these areas it must pay to do so by buying the coal reserves at an estimated cost to the taxpayer of over $800 million dollars. This latest giveaway to the coal industry by the Interior Department at the worst exposes protected areas to the environmental ravages of mining, and at the least unduly exposes the federal treasury to needless compensation claims, at a time of record deficit. The new Secretary should immediately withdraw this reckless proposed rule and initiate an evenhanded process with all parties to develop a reasonable approach to this issue.

The Secretary also will be faced with the difficult decision of what to do about states which are chronically failing across the board in enforcing the strip mine act on any reasonable threshold. OSM's past history of ignoring problem-state programs has resulted every time in making the situation much worse, more contentious, and much more difficult to resolve.

Finally, the new Secretary must face the vast problems created by the thousands of acres of environmentally abused land that have been left unreclaimed and abandoned since the law was passed in 1977 due to weak state and federal enforcement. Many of these sites have no hope for reclamation under current conditions, though many of the operators who raped these sites continue to mine illegally behind a shield of corporate shells.

OSM has many more problems with very difficult answers. We believe that the best first step that the new Secretary can take would be to change the management at OSM, and bring on a professional team which recognizes that the agency has problems and that many are a direct result of years of mismanagement and ill-conceived policies. We believe that OSM has only one last chance to get its act together before it becomes so systemically ineffective it will be unrepairable. This last chance will hinge on the next Interior Secretary. If he fails, these problems will no doubt once again come back to Congress for solutions as they did in the early 1970's.

The Bureau of Reclamation is floundering, having indicated in 1987 that it was going to shift its mission away from the big dam-building programs of the past. A basic question is whether there are enough people remaining at the Bureau interested in new priorities and any momentum still left in this direction.

The Bureau's dam-building program has been plagued with enormous problems for more than a decade. Almost every major undertaking has experienced huge cost escalation, engineering problems, or alienation of the intended beneficiaries. Here is a sampling of the syndrome:

O'Neill Unit (Neb) ---skyrocketing costs; serious damage to a key nature preserve; displacement of large number of existing farmers; now inactive

North Loup (Neb) -- alarming cost escalation, engineering problems; project still under construction

Garrison Diversion (N.D.) -- international concerns, interstate concerns, displacement of existing farmers; construction halted, major reevaluation carried out

Dolores Project (Colo) -- major cost overruns; beneficiary farmers have filed suit to halt project

Dallas Creek (Colo) -- standard cost-sharing requirements for municipal water supply were waived; then local communities informed the federal government they did not want the water after all

Auburn Dam (Calif) -- intended as a 700-foot-high, thin-concrete-arch dam above the state capital city of Sacramento, the project design was found to be unsafe; reevaluation and redesign were undertaken; construction still on hold.

Central Utah Project -- massive cost overruns; huge per-acre irrigation subsidy; construction continues.

Teton Dam (Idaho) -- built over strong environmental objection and without final definite plan report; dam collapsed, resulting in loss of life.

Animas-LaPlata Project (Colo) -- Now the Bureau is pushing forward on another half-billion dollar project, the Animas LaPlata project in Colorado, where the major first phase of development would result in only 92-cents worth of economic benefits for every full dollar of costs. The project will further exacerbate salinity problems in the Colorado River for which the federal government already is spending hundreds of millions of dollars to meet U.S.-Mexico treaty obligations.

In this period of growing budget deficits, and a track record of tremendous engineering and economic incompetence, should the Bureau of Reclamation be continuing to initiate more costly projects? How can we continue to justify the provision of subsidized water to grow crops which are also eligible for price supports and set-asides? About 45 percent of the irrigated acreage is used to grow surplus crops and alfalfa.

The incoming Secretary will have to exercise leadership to see that the Bureau carries out a new set of activities -- namely, to better manage and operate the extensive facilities which it already has constructed. The National Water Commission advised the President and the Congress in its final report in 1973 that this was precisely what the Bureau's new mission should be. But it won't happen unless the new Secretary has the courage to say no to the engineering-minded conservancy districts which devise clearly uneconomic and environmentally-disastrous proposals.

In summary, major redirection is called for in the case of the Office of Surface Mining and the Bureau of Reclamation. We wonder whether Mr. Lujan is prepared to offer a fresh approach in either OSM or the Bureau.

These two examples are characteristic of the long-standing problems which the new Secretary will face.

IV. Conclusions

EPI and FOE urge this Committee to seek essential clarifications from this nominee -- most critically on whether he intends to pursue the environmental pledges made by President Bush to the American people who, in turn, elected him. Will Mr. Lujan's decisions as Secretary of the Interior reflect his voting record as a House member or the new environmentally-sensitive approach laid down by President Bush?

Will he include concerned citizens in the decisionmaking process which vitally affects their lives or exclude them, as the Interior Department has done during most of the past eight years? Will the door of the Secretary's office be open to citizens or will this office be the private domain of special interests?

We began this testimony by laying out an alarming track record of anti-environmental votes by the man who has been nominated to become the steward of America's natural resources. We contrasted this voting record with the environmental promises of the Bush campaign and raised the fundamental question regarding the direction in which Mr. Lujan will proceed.

Finally, we have described several serious situations now existing within the Interior Department which require prompt and decisive corrective actions. Unless Mr. Lujan can provide clarification and assurances on these fundamental points, Friends of the Earth and the Environmental Policy Institute would have to urge his rejection by the U.S. Senate.

As things currently stand, Manuel Lujan does not measure up to the minimal standards of stewardship which must carry all of us not just into the 1990's but into the 21st century as well. By encouraging him to change his thinking and fulfill the promises of the candidate George Bush, this Committee can send a message to the American people that the era of James Watt and Don Hodel has finally ended.

# # #

The Washington Post

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THE FEDERAL PAGE

George Bush: Promises to Keep

By David Hoffman
Washington Post Staff Writer

George Bush has his work cut out for him when he takes the oath of office today. Although he didn't promise to lead a "revolution" like President Reagan, he did outline dozens of smaller tasks for his presidency during the 1988 campaign.

Some of them were obvious: to continue the overall direction of Reagan's economic and defense policies, for example. But Americans may have completely overlooked many others, such as his vow to suspend driver's licenses from people convicted of drug use. Bush has already fulfilled one promise to name an Hispanic to his Cabinet (he named two).

What follows is a compilation of Bush campaign promises and goals, taken from his speeches and statements issued by his campaign office.

Environment

- "Enforce environmental laws aggressively."
- "We must speed up the cleanup of toxic waste dumps."
- Give "a high priority to groundwater protection."
- "We must begin to take effective action" on acid rain. Support $5 billion program to develop new clean-coal technology. Pursue initiative with Canada and, if unsuccessful, "establish specific emission reduction goals."
- Support "many" recommendations of President's Commission on the Outdoors, such as creation of greenways and urban parks; protection of rivers and streams and wetlands.
- "One of my first priorities" is "reauthorization, correction and strengthening" of the Clean Air Act with "reductions in those substances that contribute to acid rain."
- Track down and prosecute those who dispose of medical wastes in the ocean.
- Continue offshore oil development except delay California tract 91 and "take a very close look" at tract 95 off southern California.
- Reconstitute Land and Water Conservation Fund as a self-perpetuating National Endowment of the Environment, funded in part by non-renewable oil and gas revenues.
- Pursue acquisitions in the Santa Monica Mountains Recreation Area.
- Institute a complete ban on ocean dumping of sewage sludge after 1991.
- Strengthen Coast Guard role.
- "George Bush's goal is no net loss of wetlands."
- Ask states for $10 million for radon programs and initiate a national survey of schools.
- Impose strict standards on all manufacturers who use lead in the development of their consumer products.
- "Polluters should pay" for toxic waste cleanup.

ENVIRONMENTAL POLICY INSTITUTE

SUMMARY OF THE ENVIRONMENTAL VOTING
RECORD OF MANUEL LUJAN, JR.

COMPILED FROM THE NATIONAL ENVIRONMENTAL SCORECARDS
PREPARED BY THE LEAGUE OF CONSERVATION VOTERS

From 1981-1983, Mr. Lujan had an average League of Conservation Voting record average of 14 out of 100. In 1983, for example, this was 17 points below the averge score of Republicans in the House of Represenatives.

In 1983, Lujan opposed nearly every position supported by environmentally concerned members of Congress of both parties:

* Lujan voted against the Wirth Amendment (2 June 1983) to restore EPA funding nearly to pre-Reagan levels. As Secretary of Interior, Lujan would have the responsibility for pollution prevention and clean up on our public lands and National Parks.

* Lujan voted in favor of the Levitas Amendment (3 November 1983) to shield small generators of hazardous waste from EPA rules. As Secretary of Interior, Lujan would have the responsiblity for pollution prevention and clean up on our public lands and National Parks.

* Lujan voted against the Conte Motion (23 June 1983) to delete funding for the Bureau of Reclamation's massive Garrison Diversion Water Project (a project also opposed by Canada) [Note, check with Conrad that its a Bureau Project and that Canada was on record in opposition]. As Secretary of Interior, Lujan would have the final say on Bureau of Reclamation water policy within the Bush Administration.

* Lujan voted against the Edgar Amendment (6 October 1983) to remove $51.5 million from the Energy and Water Supplemental Appropriation bill for 20 unauthorized water projects which did not have any cost-sharing by local beneficiaries. The Reagan Administration ultimately prevailed on new federal water project cost-sharing for Corps projects. As Secretary of Interior, Lujan would be responsible for carrying out water policy reforms under the Bureau of Reclamation.

* Lujan voted against the Edgar Amendment (7 June 1983) to delete $56 million for two Colorado dam projects, one of which, the Dolores Project had a negative cost-benefit ratio. As Secretary of Interior, Lujan would be responsible for carrying out water policy reforms under the Bureau of Reclamation.

* Lujan voted against the passage of H.R. 1149, the Oregon Wilderness Bill (2 March 1983) As Secretary of Interior, Lujan would be responsible for making recommendations to Congress for BLM and National Park wilderness designations.

* Lujan voted for the Shumway Amendment (12 April 1983) to reduce the wilderness acreage in the California Wilderness bill. As Secretary of Interior, Lujan would be responsible for making recommendations to Congress for BLM and National Park wilderness designations.

* Lujan voted for the Hansen Amendment (4 October 1983) to eliminate protection of National Parks from threats occuring outside the actual park boundaries but near their borders. As Secretary of Interior, Lujan would be responsible for protecting the heritage of the world's finest National Park system.

* Lujan voted for the McDade Amendment (28 June 1983) to reduce the Interior Department appropriations by 4%. As Secretary of Interior, Lujan would be responsible for making sure that adequate funding was requested for Departmental programs.

* Lujan voted against H. Res 177 (26 May 1983), disapproving President Reagan's proposal to remove $4.5 million for renewable energy and energy efficiency technical assistance. As Secretary of Interior, Lujan would be responsible for carrying out on public lands the de facto national energy policy of drain America first.

* Lujan voted in favor of the Coal Pipline Act (27 September 1983) designed to make it easier for coal slurry pipeline companies to obtain railraod and other rights-of-way. As Secretary of Interior, Lujan would be responsible for wise use of non-renewable energy resources on our public lands.

* Lujan voted against the Wolpe Amendment (30 September 1983) to close loopholes in the Nuclear Non-proliferation Act. As Secretary of Interior, Lujan would be responsible for uranium mining policies on public lands, the front end of the nuclear fuel cycle.

* Lujan voted for the Siljander Amendment (16 March 1983), supported by the Reagan-Bush Administration to undermine the Nuclear Freeze Resolution. As Secretary of Interior and former member of Congress, Lujan would be expected to offer advice on the impacts of a nuclear arms race/and or war on the Department's programs.

In addition, Lujan refused to sponsor H.R. 3400, the Waxman-Sikorski-Gregg Acid Rain Bill or H.R. 3282, the Howard Water Quality Renewal Act.

The single bright spot for Mr. Lujan in 1983 was has support for the American Conservation Corps bill, which passed the House, but not the Senate. [Lujan voted against a similar bill in 1985, however.]

In 1984 Lujan reached a peak LCV score of 34%, but during the 99th Congress, Lujan again scored well below the average Republican Member of Congress and 34 points below the 50% average of the House of Representatives as a whole.

During the 99th Congress, Lujan again showed a consistent record of opposition to pollution control, sensible land and water policies and other issues directly effecting the Department of Interior:

* Lujan voted in favor of the Pursell Amendment (23 July 1985) to cut $6 billion from funding for water pollution control. As Secretary of Interior, Lujan would have the responsiblity for pollution prevention and clean up on our public lands and National Parks.

* Lujan voted in favor of the Stangeland Amendment (23 July 1985) to allow up to 40 municipalities to set their own standards for industrial "pre-treatment". As Secretary of Interior, Lujan would have the responsiblity for pollution prevention and clean up on our public lands and National Parks.

* Lujan voted against the Edgar-Sikorski Amendment (10 December 1985) requiring polluters to publicly report any significant emission of cancer-causing and other extremely hazardous chemicals. This provison became law with the passage of the Superfund amendments of 1986. As Secretary of Interior, Lujan would have the responsiblity for pollution prevention and clean up on our public lands and National Parks.

* Lujan voted against the Frank Amendment (10 December 1985) to allow those hurt by toxic wastes to sue in federal court. As Secretary of Interior, Lujan would have the responsiblity for pollution prevention and clean up on our public lands and National Parks.

* Lujan voted against the Panetta Amendment (19 September 1986) which required a higher EPA burden of proof before EPA could override stricter state pesticide residues. As Secretary of Interior, Lujan would have the responsiblity for pesticide spraying policies on our public lands and National Parks.

* Lujan voted in favor of a procedural rule (24 July 1985) designed to retain $7.5 billion in commerical porkbarrel synfuel subsidies. 139 Republicans joined in opposing continued synfuel subsidies. As Secretary of Interior, Lujan would be responsible for wise use of non-renewable energy resources on our public lands.

* Lujan voted against the Edgar Amendment (6 November 1985) to apply cost-sharing provisions to all projects in the Water Resources Development Act. The amendment was supported by the Reagan Administration. As Secretary of Interior, Lujan would be responsible for carrying out water policy reforms under the Bureau of Reclamation.

* Lujan voted against the Weaver Amendment (6 November 1985) to deauthorize the Elk Creek Dam in Oregan. The Dam was in Weaver's district and the Reagan Administration supported the amendment. As Secretary of Interior, Lujan would be responsible for carrying out water policy reforms under the Bureau of Reclamation.

* Lujan voted against the Petri Amendment (23 July 1986) to eliminate $83.7 million for continued construction of the Bureau of Reclamation's Bonneville Unit of the Central Utah Project. As Secretary of Interior, Lujan would be responsible for carrying out water policy reforms under the Bureau of Reclamation.

* Lujan voted for the Shuster Amendment (7 August 1986) offered by the billboard industry to help continue billboard blight along our nation's highways. As Secretary of Interior, Lujan would be responsible for safeguarding the scenic vistas of our National Parks and BLM wilderness areas, as well as setting concessionaire policies within Department of Interior units.

* Lujan voted against the Fascell Amendment (10 July 1985) to retain U.S. family planning assistance to the United Nations Fund for Population Activities.

* Despite Lujan's support for creating an American Conservation Corps in 1983, he opposed a similar bill, H.R. 99 (11 July 1985). As Secretary of Interior, Lujan would be responsible for adequate staffing of National Parks and other units of the Department of Interior.

* Lujan voted in favor of a procedural rule designed to stop the House from considering the establishment of National Scenic Area for the Columbia Gorge in Oregan and Washington (16 October 1986). As Secretary of Interior, Lujan would be responsible for proposing additions to our National Park and other units of the Department of Interior.

* Lujan voted against the Aspin-Gephart-Schroeder Amendment (8 August 1986) to bar tests of nuclear weapons above 1 kiloton if the Soviet Union also abstains.

In addition, Lujan refused to cosponsor H.R. 4567, an acid rain reduction bill.

During the entire 99th Congress, Lujan straggled over to the Congressional environmental majority only in his opposition to Westway (highway project in New York); deletion of 31 water projects with no environmental impact statements or cost-sharing provisions from a supplemental appropriations bill; and support for conservation plans on highly erodible farm land.

During the last two years, the 100th Congress, which saw environmental concerns reach new hights in media coverage (e.g. acid rain, ozone, ocean pollution, greenhouse effect) and Congressional concern, Lujan managed to compile an even lower environmental voting record than the previous Congress. During a time in which the average member of Congress and the average Republican in the House received a higher voting score, Manuel Lujan, Jr. separated himself even further from his own party on environmental and conservation issues:

* Lujan voted against final passage of H.R. 1039 (2 June 1987) designed to end the Department of Interior controversial decision to give away public land with oil shale mining claims for as little as $2.50 an acre. As Secretary of Interior, Lujan would be responsible for wise managemnt of our nation's non-renewable energy supplies.

* Lujan voted in favor of the Walker Amendment (25 June 1987) to cut $25 million from the Interior Appropriations bill for energy conservation research. As Secretary of Interior, Lujan would be responsible for wise managemnt of our nation's non-renewable energy supplies.

* Lujan voted for the McMillan Amendment (13 July 1987) to cut Amtrak railroad funding by $15.2 million.

* Lujan voted against the Eckart Amendment (29 July 1987) to make the owners of commercial nuclear power plants responsible for fully compensating accident victims.

* Lujan voted against the Wyden Amendment (29 July 1987) to make private contractors at Department of Energy facilities liable for accidents caused by gross negligence or intentional misconduct.

* Lujan voted against the Markey Amendment (5 August 1987) to prohibit the NRC from licensing the full-power operation of nuclear power plants at Seabrook, N.H., and Shoreham, N.Y. until emergency evacuation plans meet certain standards.

* Lujan voted for the Water and Power Authorization Act (22 October 1987) which approved Bureau of Reclamation water projects in the absence of water development reform policies already applied to the Corps of Engineers. As Secretary of Interior, Lujan would be responsible for carrying out water policy reforms under the Bureau of Reclamation.

* Lujan voted against the Gejdenson-Petri-Sharp Amendment (17 May 1987) to delete $10 million for the construction of a boondoogle water project in Nebraska. The irrigation project was opposed by the Administration's Office of Management and Budget. As Secretary of Interior, Lujan would be responsible for carrying out water policy reforms under the Bureau of Reclamation.

* Lujan voted in favor of the Watkins Amendment (17 December 1987) to remove the Leopard Darter, a theatened species of fish from the Endangered Species Act. As Secretary of Interior, Lujan would oversee endangered species listing by the U.S. Fish and Wildlife Service.

* Lujan voted in favor of the Ortiz Amendment (17 December 1987) to delay protection for endangered sea turtles in the Gulf of Mexico. As Secretary of Interior, Lujan would oversee endangered species decisions and policies.

* Lujan voted against bringing the U.S. Japan Fishery Agreement of the Plastics Pollution Control bill to the House floor (18 December 1987) This bill contained vital measures banning the dumping of plastics into the ocean from U.S. ships, and drift nets studies. As Secretary of Interior, Lujan would have considerable input into ocean pollution problems through the OCS Leasing Program and the Minerals Management Service.

* Lujan sponsored the pro-development H.R. 1082 to authorize the Secretary of Interior to lease the Arctic National Wildlife Refuge for oil and gas exploration. As Secretary of Interior, Lujan would be the chief spokesman for drilling in ANWR.

* During the 100th Congress, Lujan again refused to cosponor an Acid Rain Reduction bill.

In only a small minority of votes, did Lujan show an environmentally progressive side. During the 100th Congress, Lujan joined with nearly every other member of Congress to override President Reagan's second veto of the Clean Water Act amendments and votoed against a weakening amendment to the Clean Air Act postponing economic sanctionis for urban areas not meeting air quality standards.

The CHAIRMAN. Thank you very much, Mr. Clark.

Senator McClure?

Senator McCLURE. Mr. Chairman, I have no questions with one exception.

Mr. Clark, you indicated that you take strong exception to the outrageous regulation OSM proposed. I quote from your statement. Are you proposing that we ignore the issue of valid, existing rights?

Mr. CLARK. No, sir. I am not suggesting that we ignore it. But I think that there are ways in which we can deal with that much more effectively.

Senator McCLURE. By denying that they exist.

Mr. CLARK. Not by denying that they exist. By recognizing that the impacts of mining in some of those areas have to be judged against the environmental impacts over the long run.

Senator McCLURE. Well, certainly that is a different question than whether we recognize that valid, existing rights are there. I might not like where you live, but I don't have the right to tear your house down.

Mr. CLARK. We understand, sir, this is an issue of great—where there can be many different perspectives taken on it, but we think that this particular proposal is enormously destructive for our public lands.

Senator McCLURE. I don't know the ultimate resolution of the problem, but I do want to indicate my own strong feeling that if we are going to take private property, we have to pay for it. And if there are valid, existing rights, that is private property. I think you would agree that that's correct.

Mr. CLARK. Yes, sir. I would like to submit to you some written documents which reflect our position on this issue for your consideration.

Senator McCLURE. Thank you very much, Mr. Chairman. I have no further questions.

The CHAIRMAN. Barry Tindall has now come in. We are 20 minutes late for a Democratic conference lunch, and so we are having to limit this to just a moment or two. We will put in the written statements, but we very much wanted to hear from you and glad you are hear, Mr. Tindall.

STATEMENT OF BARRY TINDALL, DIRECTOR OF PUBLIC AFFAIRS, NATIONAL RECREATION AND PARK ASSOCIATION

Mr. TINDALL. Well, we appreciate the opportunity, Mr. Chairman. And very quickly I will note that the National Recreation and Park Association is pleased to endorse the confirmation of Congressman Lujan and we would urge the subcommittee to act expeditiously on that.

We are intrigued by a lot of things that are happening at the national level these days. We have a President that is running and fishing and showing that, in fact, recreation is not only a luxury, but a necessity of man's busy life. And there couldn't be a more outspoken, high profile person than the President of the United States to represent that.

We hope that Secretary Lujan, in fact, takes that guidance in his own guidance and his record with the Congress and takes the lead in recommending creative policies and programs which will put on the land and make available to the American public recreation opportunity.

We are struck by lots of comments that have been made by some members of this committee and others that there might be an America the Beautiful program and more people use the Delaware Water Gap than Yellowstone and so on. The principal point I would make in any policy formulations, grant programs, trust and what have you is that we not forget the close-to-home, non-Federal park and recreation systems. The state and local governments is where the action is in terms of visitation, in terms of land use change, and that is where we have to put a great deal of attention.

We recommend several things in our statement to deal with that. We hope a dialogue will be opened with the Secretary very quickly as we continue—urge you to continue that with members of this committee.

The one special thing I would note is the military base closings. We would hope that the Interior Department will not walk away from its role in determining some appropriate recreation use of those places that have that possibility, cultural, historic or open space. There are several of them. There is a legal relationship between GSA and the Interior Department, specifically the National Park Service. The GSA has transferred to DOD a one-time management of this program, but a law put on the books in 1970 by the late Scoop Jackson is still viable today. It is one of the best, perhaps the most quiet, pieces of legislation ever adopted, and we would encourage this committee and the Department to be proactive on that issue.

Thank you very much.

[The prepared statement of Mr. Tindall follows:]

National Recreation and Park Association

Statement
of
National Recreation and Park Association
on Confirmation of
The Honorable Manuel Lujan, Jr.
Secretary of the Interior - designate
before
Committee on Energy and Natural Resources
United States Senate
February 26, 1989

Mr. Chairman, Members of the committee; We appreciate the opportunity to appear before you to address the confirmation of Manuel Lujan, Jr. to be Secretary of the Interior. The National Recreation and Park Association endorses his nomination and recommends confirmation.

I am Barry S. Tindall, director of Public Policy for Association. We are headquartered in Alexandria, Virginia and we represent over 20,000 individuals and institutions providing a wide range of park and recreation resources and services throughout the United States and abroad. Our members are involved with the planning, development and management of virtually every type of local, state and federal park and recreation system. They aid in recreation experiences for the disabled in public and private settings; train our future recreation and park leaders; help maintain combat readiness in the Armed Services; and voluntarily perform civic duties on policy making park and recreation boards and commissions.

Representative Lujan has demonstrated an interest in public recreation and park resources and opportunities. He

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will have many important opportunities to expand on his record. On March 4, 1984 he was the principal sponsor of H.R. 5090 (98th Congress), a proposal to convert LWCF and HPF to dedicated funds, assuring that both present and future generations would have recreation and associated resources available to them. In 1988 he was an early cosponsor of the 'American Heritage Trust', (H.R. 4127), proposed by Representative Morris K. Udall. While he voted (by proxy) against reporting that bill, we believe he is aware of the compelling need for significant improvements in Administration support and action for parks and recreation.

We believe that Secretary-designate Lujan, the President and the Congress should give immediate attention to at least the following national public issues:

An "American Heritage Trust"

The 100th Congress had two bills to create an "American Heritage Trust," which would combine and improve existing authorities of the Land and Water Conservation Fund, the Historic Preservation Fund, and the Urban Park and Recreation and Recovery Program. We believe that the resources necessary to create and sustain a permanent trust are available: In 1988, for example, the Administration estimated that Outer Continental Shelf revenues would total $21.45 billion through fiscal 1993.

The ultimate approval of this legislation carries with it a dual imperative: to quickly address the human condition, and to anticipate and protect physical recreation resources. We have previously cited examples of both needs:

- o Acre by acre we are annually converting up to 1.5 million acres of the nation's farms and forests to urban uses.

- o We have degraded thousands miles of the nation's waterways to the point of failing the Clean Water Act's standard of 'fishable and swimmable' waters.

- o The places we treasure most for recreation -- access to water and the 'ridge top' vistas -- are imperiled because they are increasingly used by others for private economic gain or uses which exclude public access.

- o In the course of land development we produce unexciting suburbs, creating, in the words of British author J. G. Ballard, "a geography of concrete and credit cards" where "the exercise of the imagination... may die out."

Consideration of recreation issues forces us to look beyond the availability and condition of physical resources. Consider the following:

- o Discretionary time -- that 'free' time available for recreation -- continues to decline significantly -- by about 8 hours per week over the last decade, according to some sources. In addition to increased physical and mental stress, this puts additional pressures on 'close to home' recreation resources.

- o In 1988 our collective national health bill was $548 billion, up 10 percent from 1987.

- o In some places substance abuse, especially among youth, has reached near epidemic proportions. Concurrently, health authorities report that the physical fitness of elementary and secondary school students is significantly poorer than the same age groups in 1960.

- o A new President, by word and action, acknowledges that he needs a recreation alternative to stress.

Parks and other recreation resources help soften the negative impacts of physical change. They make cities and suburbs 'livable'. Active recreation leads to improved cardiovascular performance and stress reduction. It contributes to improved self esteem, recognized as the most effective strategy to 'combat' substance abuse.

National Endowment for Parks, Recreation and Leisure

The national government today has no focal point for parks, recreation and leisure, and important opportunities to enhance and extend public investments and recreation opportunity are being lost. The National Park Service is perceived as the federal agency responsible for parks and recreation. However, its daily policy and management functions are almost exclusively (and necessarily) focused on the National Park System, its use and expansion. The diversity of national public policies, activities, and entities related to parks, recreation and leisure requires sharply focused attention. We believe this attention will maximise public investments and opportunity; it will encourage cooperation among and between governments, agencies and private interests; and it will encourage innovation.

Secretary-designate Lujan should recommend and the Congress should create in the Executive Branch a National Endowment for Parks, Recreation and Leisure as the Federal institutional focus for existing recreation and park authorities exclusive of national park system management.

Among proposed functions of the Endowment: administration of the American Heritage Trust administration; policy development and coordination of selected national policy goals; development of special policy and program emphasis; selected research; long-range planning; interagency and intergovernmental outreach cooperation; enhanced public outreach and citizen participation; resolution of conflicts between agencies and programs; and technical assistance.

Revisions to Fiscal Year 1990 Budget Request

Secretary-designate Lujan should recommend specific revisions to the President's fiscal 1990 program. These revisions should request at least $200 million for state assistance from the Land and Water Conservation Fund, and at least $5 million to begin implementation of the Bureau of Land Management's recreation strategy approved January 23. Representative Lujan should also review National Park Service planning and technical assistance budgets with the objective of more closely matching actual needs and available resources.

Closure of Military Bases

The Secretary has a rare opportunity to enhance park and recreation resources through direct involvement in recent proposals to close 86 military installations and to realign several others. There is strong historical precedent for use of federal excess and surplus military property for public parks, recreation and conservation. Under President Nixon's highly successful "Legacy of Parks" program, launched through authority of the Federal Property and Administrative Services Act of 1949, as amended, at least 575 parcels of public land were retained in public ownership for recreation purposes between 1972 and 1977.

In 1970, amendments to the 1949 act authorized fully discounted conveyance for public purposes. That statute is in effect today and should serve as the legal basis for conveyances.

There are scores of other recreation and park policy, budget and management decisions that must be addressed by the Secretary. Those noted above are some of the more salient and timely.

The National Recreation and Park Association is, of course, prepared to begin a constructive dialogue on these and other issues.

Thank you for the opportunity to appear.

The CHAIRMAN. Thank you, Mr. Tindall. And thank you for the good work your group does.

Finally, we have—I am sorry to cut you all so short, but I think you understand.

The final panel will be Mr. Allan T. Howe, Washington Representative of the National Park Concessioners here in Washington; George T. Frampton, Jr., President of The Wilderness Society; and Jan Hartke, President of Global Tomorrow Coalition from Portland, Oregon.

Gentlemen, you heard the rules, and we will lead off with Mr. Howe.

STATEMENT OF ALLAN T. HOWE, WASHINGTON REPRESENTATIVE, CONFERENCE OF NATIONAL PARK CONCESSIONERS

Mr. HOWE. Thank you, Mr. Chairman and members of the committee. It is a great honor for me to appear before you and to represent the Conference of National Park Concessioners which I am sure you know are the business people who serve the visitors in the national park units across the country.

We strongly support and endorse the nomination and confirmation of former Congressman Manuel Lujan of New Mexico to be the next Secretary of Interior. We feel that he has a balanced approach to looking at preservation of our vast natural resources and the use and enjoyment which also is part of the law for the American people to use them. These are truly our national crown jewels, as we have observed many different times in reviewing parks and legislation affecting them, but it is an important mandate for the Secretary to carry out as the only member of the President's Cabinet to be concerned about the preservation and the use and enjoyment at the same time of those great national resources.

We think Manuel Lujan and his record in the Congress has demonstrated a balanced approach to looking both at protecting the environment and allowing reasonable and adequate use by people in enjoyment in those resources, and we think his 20-year record in the House of Representatives and on the House Interior Committee where I was privileged to serve with for some time indicates that he has that approach that is necessary. He is not a person who is strongly partisan in his views. He is a person who has I think an excellent balance and an open approach to being able to discuss matters and reaches for a consensus position which would be acceptable to all parties.

So, Mr. Chairman, in conclusion, we believe that this nomination should be confirmed by the Senate as quickly as possible. We look forward to working with him in our organization.

[The prepared statement of Mr. Howe follows:]

CONFERENCE OF
National Park
Concessioners
ESTABLISHED 1917

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SENATE ENERGY AND NATURAL RESOURCES COMMITTEE

JANUARY 26, 1989

CONFIRMATION HEARINGS FOR

HONORABLE MANUEL LUJAN, JR.

SECRETARY OF INTERIOR - DESIGNATE

STATEMENT PRESENTED BY

CONFERENCE OF NATIONAL PARK CONCESSIONERS

ALLAN T. HOWE, WASHINGTON REPRESENTATIVE

Officers
Rex G. Maughan
Conference Chairman
Edward C. Hardy
Conference Vice Chairman
Garner B. Hanson
Secretary-Treasurer
Allan T. Howe
Washington Representative

Board of Directors
Rex G. Maughan
Forever Resorts, Inc.
Edward C. Hardy
Yosemite Park &
Curry Company
Garner B. Hanson
National Park
Concessions, Inc.
Al Earley
Del Webb Recreational
Properties, Inc.
George Campsen, Jr.
Fort Sumter Tours, Inc.
Richard O. "Dick" Buck
Guest Services, Inc.
Terry Povah
Hamilton Stores, Inc.
Tom Mack
Landmark Services
Tourmobile, Inc.
Kay Steuerwald
Mount Rushmore
Mountain Company, Inc.
Phyllis O'Connell
Parkway Inn, Inc.
Stephen W. Tedder
TW Recreational
Services, Inc.

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

It is a great honor for me to appear before you today as the Washington Representative of the Conference of National Park Concessioners to urge your confirmation of our good friend, Honorable Manuel Lujan, Jr. to be the next Secretary of Interior.

As you may know, the Conference of National Park Concessioners is the organization of the men and women and their companies who serve the visitors to our many National Park units throughout our country. While the main focus of these businesses is to serve the visiting public, our interest in the kind of person who occupies the position of Secretary of Interior goes far beyond our own involvement with the National Park Service.

The Department of Interior is the governmental steward over the vast natural resources of our richly blessed nation. These are broad in scope covering our millions of acres of public lands and rich water and mineral resources. Another great responsibility is the administration of American Indian affairs. The protection and enhancement of our vast fish and wildlife resources are very important as well.

Within all of these responsibilities lies a special charge given by Congress over the years in special legislation creating unique enclaves of public lands we call National Parks. These units often are called "our national crown jewels" by those who understand and appreciate their rare and unique nature. The Department of Interior and especially the Secretary of Interior, serving as the only member of the President's Cabinet having this particular reponsibility, must carry out the mandate of the laws creating these great National Parks by preserving and protecting their many and varied resources and at the same time making them available for the use and enjoyment of the people for whom they are preserved.

President Bush has chosen well in naming Manuel Lujan, Jr. to fill this great responsibility as his Secretary of Interior. The position calls for one who has solid credentials to match the task at hand. The position is not for one who must wait for on-the-job training. The problems and decisions must be faced now.

We support Manuel Lujan, Jr. because he has already demonstrated to the nation that he knows the issues confronting the Department of Interior and he has the experience upon which to draw for answers to those problems. This background and experience started many years ago as he grew up in New Mexico, a state rich in public natural resources of every kind, many of which are part of the stewardship of the Department of Interior. After many years of activity in the business community and in community and public service at a local level, he was elected as the United States Representative for the First District of New Mexico and came to Washington, D. C. to serve his people. During the ensuing 20 years of congressional service, Manuel Lujan not only served his own constituents in New Mexico but he served our nation with great honor and distinction. During the entire tenure of his service, he has served as a Member of the House Interior and Insular Affairs Committee, giving him first-hand experience with the problems of the Department of Interior and playing a major part in formulating many of the statutes administered by the Department. His involvement in the issues reads like an index of the divisions within the Department of Interior, from water, public lands, minerals, National Parks, fish, wildlife to Indian Affairs and matters affecting our Territories. This, of course, is where his main emphasis has been during his years in Congress but he also has the rich background of having participated on all of the other public policy issues during that 20 year period which all have bearing on Interior matters.

There will be many challenges to face during the next years regarding our National Parks. We must keep that delicate balance between preservation and responsible use and enjoyment. Our members stand ready to assist in any way that they can through their work in meeting the many needs of our National Park visitors. The Department of Interior will be in excellent hands under Manuel Lujan, Jr. and we urge this committee to move his confirmation along in the Senate.

The CHAIRMAN. Thank you very much, Congressman Howe.

Mr. Frampton?

STATEMENT OF GEORGE T. FRAMPTON, JR., PRESIDENT, THE WILDERNESS SOCIETY

Mr. FRAMPTON. Thank you, Mr. Chairman. I'm George Frampton, President of The Wilderness Society. The society is dedicated to protecting the integrity of our Federal public lands. Our membership now is more than a quarter of a million nationwide.

The last eight years have not been terrific years for the public lands. We have had an administration that has invested a great deal of creative energy in trying to find new ways to exploit the public lands without much regard for environmental consequences.

This has been expensive to the taxpayers. The Federal taxpayers spend more than a billion and a half dollars a year subsidizing development activities on Federal lands. Over the last 10 years, we have spent more than $400 million a year subsidizing below-cost timber sales. Water has been subsidized for decades. Grazing fees are a fraction of the fair market value. So, President Bush's pledge to bring in a new era of stewardship is something that we welcome very much because good stewardship can be good business.

I know that members of this committee are anticipating a lot of additional demands in the coming months to spend money on environmental protection. The Wilderness Society has a program which would save the taxpayers about a billion dollars a year every year and also would help protect the environment.

Given President Bush's stewardship pledge, we had perhaps allowed ourselves to hope that a nominee would be named with a stronger record, as Senator Hatfield I think pointed out earlier, but I want to make clear that we are not here to oppose Mr. Lujan. He has earned a reputation, many years in the Congress, as an honest, fair-minded man who listens to all viewpoints. As a Congressman, he represented, as was his duty, his viewpoints and interests of his constituents, but as I think he mentioned this morning, now he will have to represent the interests of all Americans not just this generation, but future generations.

My purpose in being here today, since Mr. Lujan has spoken to the issue of stewardship, is really to point out that the pledge that has been made by President Bush is a general one. And in the next few months some very important issues are going to be considered by the Interior Department and the administration which will test that pledge.

The most important of those perhaps, as was discussed this morning by Senator Wirth and Congressman Lujan, is the issue of the Arctic National Wildlife Refuge. For better or for worse, I think that a line has been drawn in the dirt on that issue. As you know, the national environmental community is absolutely united in our resolve not to compromise on that issue. We believe that a decision to drill there now is the wrong decision at the wrong time.

President Bush has made some commitments to tackle the issue of global warming. We believe those are inconsistent with the decision to drill the Arctic Wildlife Refuge.

We all recognize the need to develop a prudent energy policy for the 1990s. We believe such a policy is inconsistent with the decision to drill the refuge.

President Bush and Mr. Lujan have spoken about the importance of preserving our great wilderness areas and our national parks. We believe that policy would be inconsistent with drilling in the Arctic Wildlife Refuge.

I noticed that yesterday in an interview with the New York Times, President Bush mentioned the Arctic Wildlife Refuge and he said, well, there are national security considerations involved here. We agree with that proposition. He is absolutely right. To drill the Arctic Refuge now is a policy of national energy insecurity. It's an energy policy for the 1950's. If we make the decision that we can go on tearing up a little more wilderness or a little more fragile coastline for a little more oil that we don't need today and that that is the solution to our energy problems, it will postpone the kind of political decisions and national decisions we need to make for planetary survival.

Mr. Chairman, I have listed a number of other issues in my statement, and I very much appreciate the opportunity to appear here before you today.

[The prepared statement of Mr. Frampton follows:]

THE WILDERNESS SOCIETY

TESTIMONY OF GEORGE T. FRAMPTON, JR., PRESIDENT OF THE WILDERNESS SOCIETY, BEFORE THE U.S. SENATE, COMMITTEE ON ENERGY AND NATURAL RESOURCES, ON THE NOMINATION OF FORMER U.S. REPRESENTATIVE MANUEL LUJAN AS SECRETARY OF THE INTERIOR, JANUARY 26, 1989.

Mr. Chairman and members of the committee, I am George T. Frampton, Jr., president of The Wilderness Society. The Society was founded in 1935 and is dedicated to the protection and wise management of our federal public lands: more than 25 percent of the country's land base. The Society's membership is growing rapidly and now exceeds 250,000.

This is a critical time for our public lands. For eight years they have been at the mercy of an administration that invested all its creative energy in finding ways to open the public lands to commercial exploitation, without regard to environmental consequences. Many of these developers were not even asked to pay fair market value to exploit public resources.

Instead, American taxpayers have been paying more than $1 billion a year to subsidize the conversion of publicly-owned resources to private profits for a relative handful of companies. Below-cost timber sales cost us $400 million a year. Federal grazing fees are a fraction of the market rate. Hardrock minerals can be taken off public land for nothing. Water has been heavily subsidized for decades. And the previous administration pioneered new techniques in giving away oil shale and coal leases at bargain-basement prices--right up to last Thursday night.

In managing public lands and resources today, good stewardship will be good business. We have a golden opportunity to save $1 billion a year and protect the environment at the same time.

During his campaign, President Bush pledged to usher in an era of public lands stewardship. In light of that pledge, we had allowed ourselves to think that someone with a stronger record would be nominated for this post. However, I am not here today to oppose the nominee. We recognize that a president has wide latitude in choosing members of his cabinet. We know that Mr. Lujan is a fair-minded and honest man willing to listen to all sides. As a congressman, Mr. Lujan represented the views of his constituents. As Interior secretary, he would represent the interests of all Americans--and of future generations. We trust that in carrying out his new responsibilities, he will faithfully fulfill the President's promises of sound stewardship.

My purpose today is to identify a half-dozen issues that, during the next six months, will test the sincerity of President Bush's campaign pledges. In dealing with these issues, the Interior secretary will be defining the new administration's program.

Of course, any actions taken by the Interior Secretary will be guided by assistant secretaries and other appointees. We have grave doubts that there can be any substantive change in the Reagan program if his appointees remain at the Interior Department. In particular, we believe that the following officials must be replaced as soon as possible: Robert Burford, Vern Wiggins, Elizabeth Norton Dunlop, and Frank Dunkle. Candidate Bush said, "A new administration is a time for change, a time for renewal. I will put the very best people we can find to work on our environmental agenda." We urge him and Mr. Lujan to do just that.

PROTECTION OF THE ARCTIC NATIONAL WILDLIFE REFUGE

The clearest test of this administration will be its actions on the Arctic National Wildlife Refuge. Extraordinary wilderness values and wildlife make the refuge's coastal plain unique. The Reagan Interior Department conceded that there probably is not a commercially viable field under the plain. If there is such a field, it is expected to satisfy just two percent of U.S. oil demand. It is senseless to sacrifice the plain's natural qualities for such a small and uncertain payoff.

Moreover, a decision to allow drilling now runs counter to the need for a new energy policy stressing alternative sources, energy efficiency, and a reversal of the global warming trend.

The Reagan administration's report, mandated by section 1002 of the Alaska Lands Act, was a purely political document. Where science interfered with the administration's goals, it was rewritten or discarded. The requirement that alternative sources of energy be analyzed was essentially ignored. This week a coalition of 125 groups petitioned President Bush and Mr. Lujan to refer the matter to the National Academy of Sciences. Congress should not have to act on this issue until the Interior Department has provided the information called for by law.

Mr. Lujan was a co-sponsor of an Arctic Refuge drilling bill. As Interior secretary, Mr. Lujan will have to take a careful look at all the facts from a national and international perspective. We believe this will lead him to rethink his position.

WILDERNESS AND THE WATER RIGHTS ROADBLOCK

This year we celebrate the 25th anniversary of the Wilderness Act of 1964. But wilderness bills face a new roadblock in Congress: the dispute over water rights. At the instigation of the Interior Department, then-Attorney General Edwin Meese last year issued an opinion at odds with decades of judicial precedent. The opinion held that the federal government should not claim federal reserved water rights for wilderness areas. This document is not worth the paper it is written on; it is a shameless political tract. Once you rob a wilderness area of its water, you have destroyed it. Refusing to claim federal water rights constitutes a massive giveaway to private interests. The new Interior secretary should rescind his department's opinion and urge the Justice Department to do the same.

The raid on wilderness has not been limited to water. Former Interior Secretary James Watt and his successors wanted to allow mineral leasing in wilderness study areas. Each year Congress passed a ban on such leasing, but again, the Reagan administration, in its FY90 budget, proposed leasing. The new Secretary should support continuation of the ban and take other steps to prevent degradation of BLM wilderness study areas. We also expect the new leadership to direct BLM state offices to start making reasonable wilderness acreage recommendations.

MIDNIGHT HANDOUTS

In the closing hours of the previous administration, federal officials began processing additional giveaways of dubious oil shale claims at $2.50 per acre. The speculators who bought them are re-selling those claims for 50 to 100 times as much money. Equally dubious was the legal authority cited by other Interior officials, who slashed royalty rates on coal lease renewals by 50 percent from the levels set by Congress in the late 1970s. These midnight handouts must be stopped immediately until a complete reassessment can be made.

DISTORTION OF SCIENCE

In its work on the Arctic Refuge, the Two Forks Dam, and the proposed listing of the Northern Spotted Owl as an endangered species, the Interior Department twisted or suppressed scientific studies by experts at the U.S. Fish and Wildlife Service solely to serve political ends. Will the new secretary restore the independence of these scientists? Will he appoint a director of the Service who is prepared for informed public debate of critical environmental issues, based upon an objective scientific appraisal of the facts? Restoring the Service's respect and credibility is an important challenge for the new secretary.

THREATS TO OUR NATIONAL PARKS AND WILDLIFE REFUGES

Our national parks and national wildlife refuges face serious threats. The Reagan administration aggravated some of these problems and ignored others. We owe it to future generations to pass along these exceptional places in the same condition that they were given to us. The new administration must devise a comprehensive plan for addressing these problems and work with Congress to make sure we protect this legacy.

Everglades National Park, for example, is doomed unless water pollution and water supply problems are solved. We urge Mr. Lujan to approach the Everglades restoration effort with the same bipartisan spirit that Florida's governor and congressional delegation have, and to join Governor Martinez in supporting the eastward expansion of the park and protective efforts in the Keys.

ACQUISITION OF THREATENED NATURAL AREAS

For the past four years Reagan appointees have come to Capitol Hill seeking a moratorium on Land and Water Conservation Fund acquisition. Congress, fortunately, was wise enough not to go along, but appropriations dropped dramatically just as the needs became greater than ever. To ensure that appropriations would be steadier, the President's Commission on Americans Outdoors urged creation of a trust fund.

Mr. Bush has said he supports the commission's proposal and expanded public land acquisition. His new Interior secretary will be a key player in implementing this pledge.

Ever since Theodore Roosevelt made conservation one of his major priorities, federal land stewardship has been a bipartisan cause. The Reagan administration put that bipartisanship at risk. We hope that Mr. Lujan will strive to be remembered as the Interior Secretary who restored the traditional bipartisanship and rekindled the federal government's stewardship ethic.

The CHAIRMAN. Thank you very much, Mr. Frampton, and please give our regards to Gaylord Nelson.

Mr. Hartke?

STATEMENT OF JAN HARTKE, PRESIDENT, GLOBAL TOMORROW COALITION

Mr. HARTKE. Thank you, Mr. Chairman. I'm the president of the Global Tomorrow Coalition, the vice chairman of the Blueprint for the Environment Project. However, neither of those positions am I espousing today in terms of the organizations. I am here as an individual speaking on behalf of the confirmation of Secretary of the Interior Designate Manuel Lujan.

I had the opportunity to live in the Congressman's district for 10 years. In addition to that, I had the opportunity to run against him in 1982. So, I know him very well, and I know him to be a man who is decent and open and who will be approachable and who will listen to all sides of the issues.

We do see a redirection of the needs in many of the areas in regard to the environmental necessities that we confront today not only in America, but on the global concerns that have been mentioned by the committee members.

I do not know of any character traits that would make Congressman Lujan unfit for the high honor that has been bestowed upon him. Through his background, experience, and character, I believe that he should be confirmed and I support it.

Too often in the past, I might add, I think that the Interior Department has been hampered by its ideological shrillness and by its sour congressional relationships. I would expect that to ease off under Congressman's Lujan's leadership.

I would like to see not only Congressman Lujan enjoy a good tenure at the Secretary of the Interior's job, but I also hope this committee will be supportive in his efforts to take a lead on many of the very pressing environmental issues that transcend State and national boundaries. Those issues have become tremendously important to the environmental community, and I hope that his leadership will be supported over here in the Congress.

I would hope and expect that Secretary Lujan will play his leadership role in promoting a new conservation ethic, not only within his department, but around this country and throughout the world. Each generation has a moral responsibility to be a steward of the land for future generations. As Secretary of the Interior, I look forward to Mr. Lujan asking the question that was posed by native Americans many years ago, how would this decision affect the next seven generations.

Thank you very much.

[The prepared statement of Mr. Hartke follows:]

GLOBAL TOMORROW COALITION
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Jan Hartke
President, GTC

Acid Rain Foundation, Inc
Alan Guttmacher Institute
American Committee for
  International Conservation
American Conservation Association
American Farm Foundation
American Farmland Trust
American Society for the
  Prevention of Cruelty to Animals
Animal Protection Institute
  of America
The Antarctica Project
Audubon Naturalist Society of the
  Central Atlantic States
Better World Society
Bolton Institute for a
  Sustainable Future
Carrying Capacity
CARE
Center for International
  Development Policy
Colorado Outdoor Education Center
Concern, Inc
The Conservation Foundation
Council on International and
  Public Affairs
Defenders of Wildlife
Environmental Coalition for
  North America
Environmental Defense Fund
Environmental Policy Institute
Federation for American Immigration
  Reform
Friends of the Earth
Global Environment Project Institute
Greater Caribbean Energy &
  Environment Foundation
The Human Lactation Center Ltd
Humane Society of the United States
Idaho Conservation League
Institute for Alternative Agriculture
Institute for Alternative Futures
Institute for Sustainable Agriculture
International Center for
  Dynamics of Development
International Christian Youth
  Exchange
International Environmental
  Education Foundation
International Institute for
  Environment & Development
Linfield College
Milwaukee Audubon Society
National Audubon Society
Natural Parks & Conservation
  Association
National Wildlife Federation
Natural Resources Defense Council
Negative Population Growth
New York Botanical Garden
New York Zoological Society
North Carolina Botanical Garden
The Oceanic Society
Oregon Environmental Education
  Association
Planetary Citizens
Planned Parenthood Federation of
  America
Planned Parenthood of New York City
Population Communication
Population Crisis Committee
Population Environment Balance
Population Resource Center
Portland Audubon Society
Rachel Carson Council
Rodale Press
Scenic Shoreline Preservation
  Conference
Sierra Club
Social Issues Resources Series
Texas Committee on Natural Resources
Trust for Public Land
Tufts University
Turner Broadcasting System
U.S. Association for The Club of Rome
Wilderness Society
World Federalist Association
World Population Society
World Resources Institute
World Watch Institute
World Wildlife Fund
Zero Population Growth

Donald R. Lesh
Executive Director, GTC
Diane Lowrie
Director, GTC West

January 25, 1989

The Honorable J. Bennett Johnston
Hart Building, Room 136
2nd and C Streets, N.E.
Washington, D.C. 20510

Dear Senator Johnston:

This letter is in regard to the confirmation hearing on the Secretary of Interior Designate, Manuel Lujan. In my personal judgement, and I know him well, he should be confirmed. I not only lived in his Congressional District for ten years, but I ran against him in 1982. During that period of time, I came to know the then Congressman as a decent and open individual. I am confident that he will do his best to balance the development policies with the environmental concerns. I believe he will faithfully execute the will of the President, a President who has declared "I am an environmentalist." He has already said that he will be a true steward of the land and pass it on in at least as good a shape as he inherits it.

Knowing him as well as anybody, I do not know of any character traits that would make him unfit for the high honor that has been bestowed upon him. Through background, experience, and character, Mr. Manuel Lujan should be confirmed.

The job of Secretary of Interior is a very demanding one and it is my hope and expectation that the burden will be lightened by the appointment of people who are professionals. The selection of people who share the President's stated commitment to the environment is a precondition to the future attainment of the right policy mix.

In addition, it is my hope and expectation that the twenty years of Congressional experience that Mr. Lujan brings to the position will result in a good working relationship with the legislative branch. Too often in the past the Interior Department's necessary leadership was hampered by ideological shrillness and sour Congressional relations. I believe Secretary - Designate Lujan

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will restore a spirit of cooperation and bi-partisanship in the administration of America's natural resources.

Moreover, the Interior Department will increasingly be involved in global environmental issues. Today, many of the critical issues involve problems that transcend state and national boundaries. Therefore, new leadership and new policies will have to be developed to address such grave concerns as global warming.

It will be important for the Secretary to deal with America's natural resources in such a way that firesales and giveaways are avoided. At this time of budgetary tightness, it is a rightful part of the Secretary's task to insure that fair market value is obtained for the resources while the environment is protected.

I believe Secretary - designate Lujan will be known as the most open and accessible Secretary ever. I believe he will adhere to the President's guidelines and recognize that our beautiful parks, forests, wetlands, wildlife, and natural resources are the real treasure of America and our real heritage of greatness. I hope and expect that Secretary Lujan will play his leadership role in promoting a new conservation ethic within his Department and throughout the country and even around the world. The challenge is great and as one environmental leader, I pledge my cooperation in helping to solve the problems before us.

Each generation has a moral responsibility to be a steward of the land for future generations. As Secretary of the Interior, I look forward to Mr. Lujan asking the question that was posed by Native Americans many years ago: How will this decision affect the next seven generations?

I support Secretary of Interior - designate Lujan's confirmation and look forward to his succeeding in the demanding stewardship role that he has set for himself.

Sincerely,

Jan Hartke

Jan Hartke
President
Global Tomorrow Coalition

JH/jp

Blueprint For The Environment

1400 16th Street, NW • Washington, D.C. 20036 • (202) 797-6650

Thomas B. Stoel Jr., Chair
Natural Resources
Defense Council

Jan Hartke, Vice Chair
Global Tomorrow Coalition

William Howard, Vice Chair
National Wildlife Federation

Tina Hobson
Personnel Co-Chair
Renew America

Michael McCloskey
Personnel Co-Chair
Sierra Club

Elizabeth Raisbeck
Development Chair
National Audubon Society

Richard Ayres
Natural Resources
Defense Council

Ruth Caplan
Environmental Action

Mike Clark
Environmental Policy Institute

Peter Coppelman
The Wilderness Society

Clifton E. Curtis
The Oceanic Society

M. Rupert Cutler
Defenders of Wildlife

***Christopher Flavin**
Worldwatch Institute

Robert L. Herbst
Trout Unlimited

***Jack Lorenz**
Izaak Walton League

Robert Pollard
Union of Concerned Scientists

Paul Pritchard
National Parks
& Conservation Association

Susan Weber
Zero Population Growth

Cynthia Wilson
Friends of the Earth

***Andrea Yank**
Natural Resources
Council of America

Clay Peters
Executive Director

*Organizations listed
for identification purposes only

My name is Clay Peters, and I am Executive Director of BLUEPRINT FOR THE ENVIRONMENT. I am here today to express my personal opinion regarding the confirmation of Manuel Lujan as Secretary of the Interior.

I believe that Mr. Lujan should be confirmed.

As a former member of the professional Republican staff of the House Interior Committee (of which Committee Mr. Lujan rose to become the Ranking Minority Member), I spent eleven years associated with Mr. Lujan. On the subjects of national parks, outdoor recreation and historic preservation, which were the jurisdiction of the Subcommittee on which I worked, I found Mr. Lujan to be an able, active and committed person. I also found Mr. Lujan to be a very accessible, warm and personable fellow to work with.

Prior to my departure from the staff, Mr. Lujan was the lead sponsor of legislation on which I did a particularly significant amount of work. I was most impressed with Mr. Lujan's knowledge of and commitment to that legislative intiative. That same legislation, dealing with the future of both the Land and Water Conservation Fund and the Historic Preservation Fund, was sponsored that year by then Majority Leader Howard Baker on the Senate side, and that legislation's principal thrust received support from George Bush during the presidential campaign.

I believe that many of the pledges made by President Bush during the election campaign relating to national parks and outdoor recreation matters are subject areas that Mr. Lujan has familiarity with and will be very supportive of.

I sense that President Bush intends to show strong leadership in these areas, and I believe that Mr. Lujan is well equipped to flesh out the implementation of supportive actions and programs which will be good for both the environment and the American Public.

I urge you to vote to confirm Mr. Lujan to be the new Secretary of the Interior.

The **Chairman**. Thank you very much, Mr. Hartke.

Questions, Senator McClure?

Senator **McClure**. Mr. Chairman, I appreciate the testimony of each of the witnesses, and I guess I too sometimes am guilty of looking forward and never measuring the progress of the past. Mr. Frampton, you said that the last eight years have had a terrible record, and I suspect by any test, it's a mixed record. But I would hope in seeking a kinder and gentler world, we would also perhaps give credit where credit is due.

The last eight years have seen the largest expansion of the wilderness system in the history of this country sponsored by myself and others of this committee, passed by this committee, supported and endorsed and signed by the President of the United States. Now, that is not the whole glass of water, but that is a significant part of it so far as The Wilderness Society is concerned or has been in the past.

And so, I wouldn't expect you to ignore the problems of the future, but there ought to be a nodding gesture toward the achievements of the past, which I found totally lacking in the statement. And I sometimes am guilty of the same thing. Somebody asked me, well, what have you accomplished. Well, I don't really keep score of what I have accomplished. I am much more fixed on the problems that remain ahead of us. So, I understand the context in which you made the statement. But I couldn't let the moment go without at least commenting, yes, indeed, it may be mixed, but some progress has been made. Even by your standards, some progress has been made.

Mr. **Frampton**. Senator, looking to the future, I guess I would just say that I would have hoped that the W and the A in Mr. Lujan's stewardship not only related to the war on drugs and to America, the beautiful, but also W for wilderness and perhaps even A for Arctic wilderness.

Senator **McClure**. Well, I even hope that he may support the wilderness bill which I have proposed for Idaho. I have given up any hope that you will. [Laughter.]

The **Chairman**. Gentlemen, I am going to have to leave and turn it over to Senator Murkowski for such questions as he has. And thank you very much for your testimony.

Senator **Murkowski** [presiding]. Thank you, Mr. Chairman. I'll be very brief.

I was at the committee during the early portion and I am very pleased to be able to support Manny Lujan as the Secretary of the Interior. As I indicated in my opening statement, he bears a significant responsibility to the constituents in Alaska. He is the landlord, if you will.

I will comment very briefly on the statement of Mr. Frampton. I find it extraordinary that America's environmental community continues to reach beyond the continental United States for its national priority prominent issues and gets as far away as possible to initiate its broad base of support financially and for membership by appealing to an area that is so far away that the average American can't evaluate it on its merits. But nevertheless, this is a tradition, and I would much rather see some conscientious effort made where we have the responsibility of initiating change, cleanup, and substantially increased quality of life which can be done if our energies were situated in that direction.

A place to start might be, for some of our friends in the environmental community, to take the train from Washington, D.C. to New York and look at the aging of America, the backyards of the rivers and so forth where we could really initiate something that we could be proud of and the continued effort to move out on an issue like ANWR really doesn't deserve the attention that it is getting from the standpoint of logic.

What the environmental community doesn't recognize is that as we depart this room and get into our automobiles and turn up our heat, we have a reality that we are living with and the reality that this Nation has just for the first time had to rely on 50 percent of our consumption from imports is a harsh reality of today's life. And the projections that by the year 1990 or thereabouts, it may be in excess of 60 percent, and the technology is not going to be developed within the decade to alleviate that reality. As a consequence, it is certainly in our national energy security interests to have some idea whether there is, indeed, recoverable reserves in ANWR.

I think that the shortcoming of the environmental community to put any parameters on the ANWR issue is irresponsible. They do not indicate that there are 18 million acres in the entire coastal plain area and that the proposal is to put up for lease approximately a million and a half acres. You usually don't find oil when you look for it even in Alaska. If you do find it in Alaska, you better find a lot of it or you can't bring it to market. But it is certainly in the national energy security interest that we know whether we have those reserves or not.

I think that the advancement in technology, as I enunciated this morning, where last year we brought in the tenth largest oil field in the United States utilizing 53 acres of land speaks for itself as to the advanced technology.

The reality that we have been challenged here with a line in the dirt, so to speak, on the issue I guess is a reality that we are prepared to live with, but it seems extraordinary to me that the environmental community wouldn't recognize the obligation that they have to also come up with alternatives. And the fact that if ANWR were opened up today and if ANWR yielded substantial recoveries and reserves, those would not be able to be on line for 7 to 10 years at the very earliest I think speaks for the question of advance reality recognition of whether the reserves are there but, as noted, this is a discussion for another day.

But I would remind my good friend from the environmental community—and I might say I would be happy to meet with him at his convenience to discuss this further—the reality that where we would be today in this country if we had followed the recommendations of the environmental community a little better than 10 years ago when they were using the same arguments about allowing exploration and development in Prudhoe Bay, that area that today is supplying 24 percent of the crude oil produce in the United States and the reality that that issue was resolved by the Senate of the United States and a tie was broken by Vice President Agnew. One can project that our Nation would, indeed, be substantially more dependent on oil imports if that decision hadn't been made with the wisdom of Congress the way it was made.

The arguments are the same—what will happen to the caribou? What will happen to a pipeline in permafrost? And the realities speak for themselves, but again the environmental community fails to acknowledge that when they started drilling in Prudhoe Bay, there was a herd of about 4,700 caribou. Today that herd is in excess of 14,000. They would have you believe that the porcupine herd is a different herd and will react differently as a consequence of ANWR.

I think these are the areas that the environmental community deserves to communicate to the American people, that there is indeed a tremendous land mass associated with the area we are talking about. There is advanced technology that we can use to address procedures in drilling. We can do a better job than we have done, but to clearly write this area off as not being in the national interest, I think defies logic, defies reality and the proof of it is in the fact that Prudhoe Bay, indeed, is an asset to this Nation and without that 24 percent of our domestic crude oil coming from that source, we would not be the nation we are today and our fiscal problems would probably be much more severe.

I have no questions for the gentlemen, but I think it was appropriate that the record indicate my feelings with regard to the general statement of Mr. Frampton.

Mr. **Frampton**. May I respond to that, Mr. Chairman?

Senator **Murkowski**. Do you have a comment to make?

Mr. **Frampton**. May I respond to that?

Senator **Murkowski**. Yes.

Mr. **Frampton**. Senator, I appreciate your comments. Alaska may be far from Washington, D.C., but it did become fully a part of the United States in 1959, and the Arctic Wildlife Refuge is federally managed land, and I think citizens of the entire country have an interest in this decision and the disposition of this wildlife refuge. And the last year, if it has taught us anything, has taught us that we can't regionalize our problems. I think that is why this is such an important issue to the national environmental community and many others because it is an issue which has ramifications for other global environmental problems that we face.

We are importing more foreign oil because it is so cheap. That is allowing us, through the market mechanism, to hoard higher priced domestic reserves that would be available and would be used if the price went from $14 a barrel to the $40 or $50 a barrel that would be necessary to make any large oil field that may be in the Arctic Refuge commercially developable.

If there is a lot of oil in Arctic Refuge, it would only provide us about 2 percent of our domestic reserves. That is oil we don't need now. That is why we are resolved that a decision now is the wrong decision. If there is oil there, it won't go away. You mentioned the possibility of new technology. In 20 or 25 years, new technology may enable us to determine if there is oil there and perhaps even get it out without ever disturbing the surface plane. We don't have that technology today, but we are working on it.

A decision now to tear up the wilderness for oil development prejudices the wilderness. A decision to wait allows us to keep open all our options, both wilderness and oil.

As I mentioned before and some of the other Senators mentioned, there are some conflicts between the Bush Administration's pledges on energy policy and global warming, on the one hand, and a decision to go into the Arctic. Those conflicts are going to have to be resolved.

As Senator Wirth suggested to Mr. Lujan, there is a way to avoid this confrontation, and the way to do it is to see the decision in the Arctic Refuge as a decision in a larger context of global energy policy, to work on things to fuel our automobiles into which we are all going to climb when we leave this room, through increased conservation and increased efficiency rather than through the destruction of wilderness. That is a way to have—there is a way. That is the way to have both wilderness and any oil reserves that may be there and to avoid what Senator Wirth called the possibility of us all getting into a meat grinder here early in the administration with a very divisive issue.

That is why we consider it to be so important.

Senator **Murkowski**. I don't know, Mr. Frampton, whether you have had an opportunity to visit Kaktovic.

Mr. **Frampton**. I have, yes.

Senator **Murkowski**. And if you are generalizing that as a consequence of that one well drilled that the wilderness has been violated, why, I would like to go with you the next time.

Mr. **Frampton**. That is one of the aspects of this that is very important, Senator. I think a lot of people ought to see this place before making the decision and may have different views than mine. I think that when Yellowstone was created, it was far from population centers, and the principal argument against making it a national park was that nobody would ever go there. I think we are glad we did that in 1872.

In trying to educate people about the issue, we want to get more people up there. We would like to have members of the committee go up there. I have a friend who is a minister who said to me, well, your problem is just like my problem. He said all my life I have been trying to tell people about a place that they have never seen and they really don't want to go to anytime in the near future. And what I say to him is, well, consider the alternative.

What we are trying to do is say to people is consider the alternative. A decision to drill sends all the wrong signals about what this country is willing to do in the way of energy policy and global warming. It's a retreat rather than an advance.

Senator **Murkowski**. I think we are going to continue to differ on this, so there is not much point of arguing the merits of the acreage of Yellowstone and the uniqueness of Yellowstone with the uniqueness of the Arctic coastal plain and the vastness of the Arctic coastal plain. And obviously, our forefathers could have extended Yellowstone from coast to coast and it would have been theoretically a great resource and a great asset. Fortunately, they had vision to balance realities, and I think that's an obligation of the Congress to balance realities.

And the argument that this consists of only 2 percent of the potential—the reserves would equal 2 percent only is a pie in the sky because both of us know that there has never been an announced discovery. We don't know how much or if there is any oil there or for that matter, whether we have a problem because unlike many other areas associated with our concern over global warming, if there is no oil or energy resource in that area, it will revert to its present state because of the unlikelihood of anything else happening up there. I checked the weather today. It is 64 below zero without the windchill factor, and I think you and I would have a difficult time finding an overcoat to accommodate us, although our friends, the polar bears, seem to handle it quite well. So, I don't think you can realistically use the 2 percent, if the environmental community chooses to use it.

Mr. **Frampton**. That is Secretary Hodel's figure, Senator.

Senator **Murkowski**. If they used the same thing on Prudhoe Bay, it would have been valid, but the reality of what Prudhoe Bay is producing today is, nevertheless, a reality and the question is can we utilize our new technology to do a better job as we look for resources on public lands. We have this difference of opinion, and it will be pursued.

But again, I would urge my colleagues in the environmental community to at least assess the issues on the merits of quantifying them in reasonable realities. And I would hope that they would attempt to recognize that substantial advancements have been made, that we on the other side are concerned about global warming, but feel the energies perhaps can be addressed to some of the problems associated with the high pollutant hydrocarbons that can immediately assess corrective actions.

I am not going to argue the merits of nuclear power, but it is amazing to me to observe France and the fact that they already achieve about 60 percent of their power generation from nuclear energy and are not going to be held hostage by the Mid-East again and are doing something very positive about their air quality. They are doing something very positive about their hazardous waste because they are reprocessing it. But here again, this is a technology that America's environmental community absolutely refuses to acknowledge and I think that is a bit irresponsible because I think America's environmental community has the obligation of pursuing alternatives rather than just hoping that something magic is going to happen.

I am not going to pursue this conversation because I know that some of you are hungry. Some of you want to talk some more, and if you talk some more, I'll probably talk some more. And I think we have heard enough today.

Thank you, gentlemen. Thank you, ladies and gentlemen. On behalf of Chairman Johnston, we would conclude the hearing.

[Whereupon, at 12:47 p.m., the hearing was concluded.]

APPENDIXES

Appendix I

Biography and Informational Statement of Mr. Lujan

BIOGRAPHY

SECRETARY-DESIGNATE MANUEL LUJAN, JR.

On December 22, 1988, President-Elect George Bush selected Congressman Manuel Lujan, Jr. to join his Cabinet as Secretary of the Interior.

First elected in 1968, Mr. Lujan represented the First District of New Mexico for 10 terms in the Congress. He served on the House Interior and Insular Affairs Committee from 1969 until his retirement in January, 1989, including a four-year term from 1981 to 1985 as the Committee's Ranking Republican Member. He also served on the Joint Committee on Atomic Energy from 1969 to 1977, and on the House Committee on Science, Space, and Technology from 1977 until his retirement, where he was that Committee's Ranking Republican Member since 1985.

Over the years, Mr. Lujan introduced, cosponsored and supported numerous pieces of legislation to create Wilderness Areas, to designate Wild and Scenic Rivers, and to establish National Trails. He also cosponsored seven major environmental protection bills, including the Clean Air Act of 1970 and the Clean Water Act.

Mr. Lujan's other major interests during his legislative career included space policy, energy and scientific research, education and fiscal responsibility in government.

Mr. Lujan was born in San Ildefonso, New Mexico on May 12, 1928. He was raised in Santa Fe where his father, Manuel Lujan Sr., served three terms as Mayor. Lujan received a B.A. from the College of Santa Fe.

Lujan and his wife, the former Jean Couchman, have four children: Terra, Jay, Barbara and Jeff.

UNITED STATES SENATE
COMMITTEE ON ENERGY AND NATURAL RESOURCES

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Lujan (LAST) Manuel, Jr. (FIRST) (OTHER)

Position to which nominated: Secretary of the Interior

Date of nomination:

Date of birth: 12 (DAY) May (MONTH) 1928 (YEAR)

Place of birth: San Ildefonso, New Mexico

Marital status: Married

Full name of spouse: Jean Couchman Lujan

Name and ages of children:
Terra Everett (39)
Jeff Lujan (26)
Jay Lujan (32)
Barbara Lujan (28)

Education:

Institution	Dates attended	Degrees received	Dates of degrees
St. Mary's College (Calif.)	1946-47		
College of Santa Fe		B.A.	1950

Employment record: List below all positions held since college, including the title and description of job name of employer, location, and dates.

Manuel Lujan Agency, Albuquerque, New Mexico, 1948-1968

Member of Congress, Washington, DC 1968-1988

Employment record—Continued

Military service: Describe any military service not listed above, including dates, rank, and type of discharge.

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

Honorary Doctorate: College of Santa Fe, University of Albuquerque and Western New Mexico University

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Dates	Office held (if any)
BPOE Elks	1946-Present	None
Kiwanis International	1951-Present	President (Santa Fe) in 1964
Knights of Columbus	1946-Present	Grand Knight (Santa in 1960
Manuel Lujan Insurance Agency	1948-Present	Board (Resigned)
Lujan & Lujan(Real Estate Ptrshp)	1965-Present	Partner
Lujan,Marchi,Lujan(Eqpt Leasing)	1965-Present	Partner
Sunwest Bank	May 1988-Dec. 1988	Board (Resigned)
Lovelace Medical Foundation	May 1988-Dec. 1988	Board (Resigned)
1st Congr.District Scholarship Foundation	1984-Dec. 1988	Chairman(Resigned)

Published writings: List the titles, publishers and dates of any books, articles, or reports you have written.

Future employment relationships:

1. Will you sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate?

Yes.

2. Do you have any plans after completing government service to resume employment, affiliation or practice with your current or any previous employer, business firm, association or organization?

None

3. Has a commitment for employment after you leave government been made to you by anyone? Have you made any such commitment?

No

4. (a) If you have been appointed for a fixed term, do you expect to serve the full term?

I will serve at the pleasure of The President.

Future employment relationships—Continued

(b) If you have been appointed for an indefinite term, are there any known limitations on your willingness or ability to serve for the foreseeable future?

No

Financial statement:

1. Attach a copy of your Executive Personnel Financial Disclosure Report (SF 278).

2. List sources, amounts and dates of all anticipated receipts from deferred income arrangements, stock options, uncompleted contracts and other future benefits which you expect to derive from previous business relationships, professional services and firm memberships or from former employers, clients, and customers. Amounts should be indicated by the categories established for reporting income on Form SF 278, Schedule A.

Only those shown on Form SF278.

3. Are you currently a party to any legal action? If so, describe its nature and status.

No

4. Have you ever declared bankruptcy? If so, describe the circumstances.

No

5. Have you filed a Federal income tax return for each of the last 10 years? If not, please explain.

Yes

6. Has the Internal Revenue Service ever audited your Federal tax return? If so, what resulted from the audit?

Yes, 1982, 1983, 1984. I received a refund of $800 for all 3 years combined.

Potential conflicts of interest:

1. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

None

2. Describe any business relationship, dealing or financial transaction (other than taxpaying) that you have had during the last 10 years with the Federal Government, whether for yourself or relatives, on behalf of a client, or acting as an agent, which might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

Member of Congress - no other Associations.

3. Describe any lobbying activity which you have performed during the past 10 years with respect to legislative or administrative actions at the Federal, State or local level.

None

4. Have you been informed of the conflict of interest laws and regulations applicable to the position to which you have been nominated?

Yes, I requested and have met with Agency Ethics Officials.

Potential conflicts of interest—Continued

5. Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to this form and the attachments thereto. Attach a statement of the appropriate agency ethics official explaining the applicable laws or regulations, any potential conflicts, and the action required to resolve such conflicts.

In order to eliminate potential conflicts, I have sold certain assets and resigned various positions as reflected on Form SF278.

6. Explain how you will resolve any potential conflicts of interest that may arise in the future if you are confirmed for the position for which you have been nominated. I intend to recuse myself from participating in any particular matters which may have a direct and predictable effect, ~~within the meaning of Section 208 of Title 18 United States Code,~~ on my financial interests. I also intend to recuse myself from ~~participation, on a case-by-case basis, in any particular matter~~ which, in my judgment, it is desirable for me to do so in order to ~~avoid even the appearance of impropriety, despite the lack of~~ actual conflict of interest.

I will also inform Department officials of my recusal policy, and I intend to direct my staff to advise me when any particular matter arises in which it may be necessary or desirable for me to recuse myse

Public disclosure: Do you have any objections to this form and the attachments thereto being made public?

No

AFFIDAVIT

I, Manuel Lujan Jr.) ss being duly sworn, hereby state that I have read the foregoing Statement for Completion by Presidential Nominees, including all attachments thereto, and that the information provided therein is, to the best of my knowledge and belief, current, accurate, and complete.

(Signature of Nominee)

Subscribed and sworn to before me this 19th day of January, 1989

Notary Public

My Commission expires April 14, 19~~84~~92

Form approved by the Committee February 5, 1985.

U.S. GOVERNMENT PRINTING OFFICE: 1987—67-074

January 23, 1989

Honorable Frank Q. Nebeker
Director, Office of Government Ethics
Office of Personnel Management
P.O. Box 14108
Washington, D.C. 20044

Dear Judge Nebeker:

This letter will document the actions I intend to take to prevent any actual or apparent conflicts of interest under the statutes and regulations that will apply to me as Secretary of the Interior.

Upon confirmation as Secretary of the Interior I will divest myself of my 10% interest in the Manuel Lujan Insurance Agency.

I have been advised by the Department of the Interior Designated Agency Ethics Official that all of the other financial interests and associations reported on my Financial Disclosure Report are in full compliance with the laws that will be applicable to me as Secretary of the Interior.

Sincerely,

Manuel Lujan Jr.

United States Department of the Interior

TAKE PRIDE IN AMERICA

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

January 23, 1989

Honorable Frank Q. Nebeker
Director, Office of Government Ethics
Office of Personnel Management
P.O. Box 14108
Washington, D.C. 20044

Dear Judge Nebeker:

The enclosed financial disclosure report filed by Manuel Lujan for the position of Secretary of the Interior, has been reviewed in compliance with 5 CFR 734.604(a). In addition to the standard conflict of interest prohibitions contained in 18 U.S.C.§§201-209 and Executive Order 11222, as amended, the Secretary of the Interior is also subject to five statutory prohibitions that apply only to employees in our Department. These statutory prohibitions are: 18 U.S.C. §437; 30 U.S.C.§6; 30 U.S.C.§1211(f); 43 U.S.C.§11 and 43 U.S.C.§31(a). Except for 30 U.S.C.§1211(f), the provisions of each of these statutes are extended to the Secretary of the Interior by Department of the Interior regulations in 43 CFR Part 20.

We have compared each reported interest on Mr. Lujan's financial disclosure form to the provisions that will apply to his position. The Manuel Lujan Insurance Agency has no direct business with the Department of the Interior. However, it is possible that the agency insures people or organizations that do have business with the Department of the Interior. For this reason, Mr. Lujan has resigned from his board member position in the Manuel Lujan Insurance Agency. He will divest himself of his 10% interest in the Manuel Lujan Insurance Agency upon confirmation as Secretary of the Interior.

The Lujan & Lujan partnership and the Lujan Marchi Lujan partnership have no business with the Department of the Interior. The Lujan Marchi Lujan partnership leases office equipment to the Manuel Lujan Insurance Agency. Neither partnership has any real estate or other holdings which can be affected by the programs of the Department of the Interior or the duties of the Secretary of the Interior. Further, none of the real estate holdings reported by Mr. Lujan involve any permits, leases or other rights in Federal lands administered by the Department of the Interior. Accordingly, Mr. Lujan may retain his partnership interests in the Lujan & Lujan and the Lujan Marchi Lujan partnerships in full compliance with applicable conflict of interest laws.

The entry for contract on the sale of a house refers to a mortgage held by Mr. Lujan on property he sold to Monique Chantel. Mr. Lujan paid the capital gains associated with that sale in one sum and therefore reports only the interest he is receiving on this note. To our knowledge, Monique Chantel has no business with the Department of the Interior.

The Keystone Tax Free Fund is a diversified mutual fund consisting of tax free bonds. The bond interests reported for Casa Grande, Arizona, Tucson, Arizona and Washington State are zero coupon Fannie Mae mortgage bonds. The Texas State Water Development services interest is not a prohibited interest under the laws applicable to the Secretary of the Interior.

Mr. Lujan loaned $100,000 to the Manuel Lujan Agency. This is a personal loan reported in the entry listing "Promissory Note" on Page 4 of Schedule A.

Mr. Lujan has been informed about the regulations governing the acceptance of honorariums and about the 15% limitation on outside earned income. All of the other financial interests reported by Mr. Lujan are acceptable under the conflict of interest statutes and regulations that will apply to him as Secretary of the Interior. Based on our review and analysis and on the actions agreed to by Mr. Lujan in the enclosed commitment letter, I have certified to the enclosed financial disclosure report.

Sincerely,

Charles E. Kay

Charles E. Kay
Principal Deputy Assistant
Secretary - Policy, Budget and
Administration and Designated
Agency Ethics Official

Enclosures

SF 278 (Rev. 1/87)
FPM Chapter 734
U.S. Office of Personnel Management

Financial Disclosure Report

Form Approved
OMB No. 3209-0002

Page 1

Reporting Status *(Check Appropriate Box)* ☐ Incumbent ☒ New Entrant, Nominee, or Candidate ☐ Termination Filer	Agency Use Only	OGE Use Only	Date of Appointment, Candidacy, Election or Nomination *(Mo., Day, Yr.)* December 21, 1988	Termination Date *(If Applicable)* *(Month, Day, Year)*
Reporting Individual's Name	Last Name Lujan	First Name and Middle Initial Manuel, Jr.		
Position for Which Filing	Title of Position Secretary of the Interior	Department or Agency *(If Applicable)* Department of the Interior		
Location of Present Office	Address *(Number, Street, City, State and ZIP Code)* 18th & C Streets, NW, Washington, DC 20240	Telephone No. *(Include Area Code)* (202)343-7351		
Position(s) Held With the Federal Government During the Preceding 12 Months *(If Not Same as Above)*	Title of Position(s) and Date(s) Held Member of Congress			
Presidential Nominees Subject to Senate Confirmation	Name of Congressional Committee Considering Nomination Senate Committee on Energy and Natural Resources	Do You Intend to Create a Qualified Diversified Trust? ☐ Yes ☒ No		
Certification I CERTIFY that the statements I have made on this form and all attached schedules are true, complete and correct to the best of my knowledge and belief.	Signature of Reporting Individual Manuel Lujan Jr.	Date *(Month, Day, Year)* 1/6/88		
Other Review **(If desired by agency)**	Signature of Other Reviewer Gabriele J. Paone Gabriele J. Paone Deputy Agency Ethics Official	Date *(Month, Day, Year)* 23 JAN 1989		
Agency Ethics Official's Opinion The information contained in this report discloses no conflict of interest under applicable laws and regulations.	Signature of Designated Agency Ethics Official/Reviewing Official Charles E. Kay	Date *(Month, Day, Year)* 1/23/89		
Office of Government Ethics Use Only	Signature	Date *(Month, Day, Year)*		

Reporting Periods

Incumbents: Complete Schedules A, B, C, and Part I of D. The reporting period is the preceding calendar year except for Part II of Schedule C and Part I of Schedule D where you must also include any positions held or agreements or arrangements made from the beginning of the filing year until the date you file.

Termination Filers: Complete Schedules A, B, C, and Part I of D. The reporting period begins at the end of the period covered by your previous filing and ends at the date of termination.

Nominees, New Entrants and Candidates for President and Vice President: Complete Schedules A (except for BLOCK D), C, and D. (Candidates do not file Part II of Schedule D.

- **Schedule A**—The reporting period for Income (BLOCK C) is the preceding calendar year and the current calendar year up to the date of filing. Value assets in BLOCK B as of any date you choose that is within 31 days of the date of filing.
- **Schedule C, Part I** (Liabilities)—The reporting period is the preceding calendar year and the current calendar year up to any date you choose that is within 31 days of the date of filing.
- **Schedule C, Part II** (Agreements and Arrangements)—Show any agreements or arrangements as of the date of filing.
- **Schedule D**—The reporting period is the preceding two calendar years and the current calendar year up to the date of filing.

Comments of Reviewing Officials *(If additional space is required, use the reverse side of this sheet)*

(Check box if comments are continued on the reverse side) ☐

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278-110

NSN 7540-01-070-8444

SF 278 (Rev. 1/87)
FPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0002

Reporting Individual's Name		Page Number		Schedule
Manuel Lujan, Jr.	**Assets and Income**		2	A

All Filers: In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal businesses and partnership interests. **Exclude** your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding $100 received from the assets and other sources of income listed in BLOCK A. You must report the **actual amount** of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income, only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust." If "none" (or less than $101) is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only: In BLOCK D, for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A, did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000?

	BLOCK A Assets & Income Sources	**BLOCK B** Valuation of Assets							**BLOCK C** Income																	**BLOCK D** Transactions Test	
	Identify each asset and income source of yours, your spouse(S) and your dependent child (DC). NONE ☐	Category of Value (X)							Type of Income (X)						Other (Specify Type)	Category of Amount of Income (X)								Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	If yes, complete Schd. B Part I for those assets including those sold for a loss	
S or DC		None (or less than $1001)	$1,001-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	$100,001-$250,000	Over $250,000	Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust		None (or less than $101)	$101-$1,000	$1,001-$2,500	$2,501-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	Over $100,000			YES	NO
Examples	X Y Z Common				x				x									x						--		x	
	Doe Jones & Smith, Hometown, USA			x											ptnrshp income									$50,000			
1	Member of Congress														Salary									89,000			
2	Manuel Lujan Agency(independent retail insurance corporation)							x	x						Director Fees	X								3,000			
3	Lujan & Lujan(Real Estate Partnership):						x								Partnership									0			
4	Shopping Center, Rio Rancho, NM																										
5	Vacant Land, Santa Fe, NM																										
6	Vacant Land, Belen, NM																										
7	Edgehill Housing, Tennessee																										
8	Le Resolana Housing, Albuquerque, NM																										
9	Lujan Marchi Lujan (office equipment leasing)					x									Partnership									0			
10																											

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SF 278 (Rev. 1/87)
FPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0002

Reporting Individual's Name		Page Number	Schedule
Manuel Lujan, Jr.	**Assets and Income**	3	A

All Filers: In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal businesses and partnership interests. Exclude your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding $100 received from the assets and other sources of income listed in BLOCK A. You must report the actual amount of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income, only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust." If "none" (or less than $101) is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only: In BLOCK D, for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A, did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000?

BLOCK A Assets & Income Sources			BLOCK B Valuation of Assets							BLOCK C Income																	BLOCK D Transactions Test	
Identify each asset and income source of yours, your spouse(S) and your dependent child (DC). NONE ☐			Category of Value (X)							Type of Income (X)						Other (Specify Type)	Category of Amount of Income (X)								Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	If yes, complete Schd. B Part I for those assets including those sold for a loss.	
S or DC			None (or less than $1001)	$1,001-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	$100,001-$250,000	Over $250,000	Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust		None (or less than $101)	$101-$1,000	$1,001-$2,500	$2,501-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	Over $100,000			YES	NO
	Examples	X Y Z Common				x				x									x								x	
		Doe Jones & Smith, Hometown, USA			x											ptnrshp income									$50,000			
	1	Sun West Bank (Sold 1988)			x					x						Director Fees	x								2,500			
	2	Public Service Co. of NM (Sold 1988)			x					x										x								
	3	Contract Sale of House, Rio Ranco, NM				x						x							x									
	4	Manuel and Jean Lujan Revocable Trust:																										
	5	Sherson Lehman Hutton--																										
	6	Money Market Account					x			x										x								
	7	Keystone Tax Free Fund					x			x1			x2						x2		x1							
	8	Casa Grande, AZ IDA MFH FNMA Due 11/1/96				x						x					x											
	9	Texas State Water Dev. Ser. B Due 8/1/99				x						x					x											
	10	Tucson, AZ, IDA MFHR UNIV. HTS FNMA Due 1/1/9				x						x					x											

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278-211

NSN 7540-01-070-8018

SF 278 (Rev. 1/87)
FPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. [illegible]

Reporting Individual's Name	Assets and Income	Page Number	4	Schedule A
Manuel Lujan, Jr.				

All Filers: In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal businesses and partnership interests. Exclude your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding $100 received from the **assets** and other sources of income **listed** in BLOCK A. You must report the **actual amount** of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income, only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust." If "none" (or less than $101) is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only: In BLOCK D, for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A, did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000?

▼

BLOCK A Assets & Income Sources			BLOCK B Valuation of Assets							BLOCK C Income																	BLOCK D Transactions Test	
Identify each asset and income source of yours, your spouse(S) and your dependent child (DC). NONE ☐			Category of Value (X)							Type of Income (X)						Other (Specify Type)	Category of Amount of Income (X)								Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	If yes, complete Schd. B Part I for those assets including those sold for a loss.	
S or DC			None (or less than $1001)	$1,001-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	$100,001-$250,000	Over $250,000	Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust		None (or less than $101)	$101-$1,000	$1,001-$2,500	$2,501-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	Over $100,000			YES	NO
	Examples	X Y Z Common				X				X									X								X	
		Doe Jones & Smith, Hometown, USA			X											ptnrshp income									$50,000			
	1	Washington State USC FIN COMMN FNMA Due 7/1/96					X					X					X											
	2	IRA:																										
	3	S.L.H. Government Money Market Fund		X						X							X											
	4	U.S. Treasury (STRIPS) 5/15/98		X								X					X											
	5	Monique Chantel (Mortgage)				X						X							X									
	6	Wright Patman Federal Credit Union		X								X					X											
	7	Albuquerque U.S. Empl. Credit Union				X						X							X									
	8	Manuel Lujan Real Estate			X											Inactive Corp.	X								No Income			
	9	Promissory Note (Manuel Lujan Agency)						X				X									X							
	10	Certificate of Deposit Sun West Bank					X					X							X									

PREVIOUS EDITION USABLE

278-011

NSN 7540-01-070-8018

SF 278 (Rev. 1/87)
FPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. [illegible]

Reporting Individual's Name				
Manuel Lujan, Jr.	**Assets and Income**	Page Number	5	Schedule A

All Filers: In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal businesses and partnership interests. Exclude your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding $100 received from the assets and other sources of income listed in BLOCK A. You must report the **actual amount** of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income, only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust." If "none" (or less than $101) is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only: In BLOCK D, for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A, did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000?

		BLOCK A Assets & Income Sources	BLOCK B Valuation of Assets							BLOCK C Income																		BLOCK D Transactions Test	
		Identify each asset and income source of yours, your spouse(S) and your dependent child (DC). NONE ☐	Category of Value (X)							Type of Income (X)						Other (Specify Type)	Category of Amount of Income (X)									Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	If yes, complete Schd. B Part I for those assets including those sold for a loss.	
			None (or less than $1001)	$1,001-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	$100,001-$250,000	Over $250,000	Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust		None (or less than $101)	$101-$1,000	$1,001-$2,500	$2,501-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	Over $100,000			YES	NO
S or DC	Example	X Y Z Common				x				x									x									x	
		Doe Jones & Smith, Hometown, USA			x											ptnrshp income										$90,000			
1		Council of Engineers & Scientists														Honorarium		x								$1,000	3/8/88		
2		Digital Equipment Corp.														Honorarium			x							$1,500	5/11/88		
3		National Association of Realtors -														Honorarium			x							$2,000	10/88		
4																													
5																													
6																													
7																													
8																													
9																													
10																													

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SF 278 (Rev. [illegible])
FPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. [illegible]

Reporting Individual's Name
Manuel Lujan, Jr.

Page Number	6	Schedule B

Part I
Transactions

Incumbents and Termination Filers only: Report any purchase, sale or exchange by you, your spouse or dependent child during the reporting period of any real property, stocks, bonds, commodities futures, and other securities when the amount of the transaction exceeded $1,000. Include transactions that resulted in a loss. Do not report a transaction involving property used solely as your personal residence, or a transaction between you, your spouse or your dependent child.

NONE ☐

S or DC		Identification of Assets	Type of Transaction (X) Purchase	Sale	Exchange	Date (Mo., Day, Yr.)	Amount of Transaction (X) $1,001-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	$100,001-$250,000	Over $250,000
	Example	X Y Z Common	x			2/1/83			x			
1		Not Applicable for New Entrant, Nominee Filing										
2												
3												
4												
5												
6												

Part II
Gifts, Reimbursements and Travel Expenses

Incumbents and Termination Filers only:
Report the source, a brief description and the value of: (1) in-kind gifts of transportation, lodging, food or entertainment received from one source totaling $250 or more unless received as personal hospitality at the donor's personal or family residence; (2) other gifts received from one source totaling $100 or more in value; and (3) cash reimbursements of $250 or more received from one source. Exclude gifts and reimbursements received by your spouse that were given totally independent of their relationship to you. **Exclude** transportation, lodging, food and reimbursements from the U.S. Government. For (1) and (2), **exclude** gifts from relatives and **exclude gifts of $35 or less when aggregating them for the total from one source.** See instructions for **further exclusions.**

NONE ☐

S		Source (Name and Address)	Brief Description	Value
	Examples	Nat'l Assn. of Rock Collectors, NY, NY	Airline ticket, hotel room & meals incident to national conference 6/15/83	$500
		Nat'l Assn. of Rock Collectors, NY, NY	Leather briefcase for retiring president	$125
1		Not Applicable for New Entrant, Nominee Filing		
2				
3				
4		—		
5				
6				

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SF 278 (Rev. 1/87)
FPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0002

Reporting Individual's Name
Manuel Lujan, Jr.

Page Number	7	Schedule C

Part I
Liabilities

All Filers: Report liabilities over $10,000 owed to any one creditor at any time during the reporting period by you, your spouse or dependent child. Check the highest amount owed during the reporting period. **Exclude** a mortgage on your personal residence unless it is rented out, loans secured by automobiles, household furniture or appliances, and liabilities owed to relatives. See instructions for revolving charge accounts.

NONE ☐

		Creditor (Name and Address)	Type of Liability	Date Incurred	Interest Rate	Term if applicable	Category of Amount or Value (X)				
							$10,001 to $15,000	$15,001 to $50,000	$50,001 to $100,000	$100,001 to $250,000	Over $250,000
S or DC	Examples	First District Bank, Washington, DC	Mortgage on rental property, Rehoboth Beach, Delaware	1981	13%	25 yrs.			X		
		John Jones, 123 J St., Washington, DC	Promissory note	1979	10%	on demand	X				
1		Home Federal Savings & Loan, Deming, New Mexico	Mtg on Rio Rancho Shopping Ctr.	1986	9.75	20 yr					x
2											
3											
4											
5											
6											

Part II
Agreements Or Arrangements

All Filers: Report your agreements or arrangements for future employment, leaves of absence, continuation of payment by a former employer (including severance payments), or continuing participation in an employee benefit plan. See instructions regarding the reporting of negotiations for any of these arrangements or benefits.

NONE ☒

	Status and Terms of any Agreement or Arrangement	Parties	Date (Mo., Yr.)
Example	Pursuant to partnership agreement, will receive capital account & partnership share calculated on service performed through 11/83	[illegible] & Smith, Home town, USA	7/78 partnership agrmt
	None		

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SF 278 (Rev. 1/87)
FPM Chapter 735
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0001

Reporting Individual's Name	Manuel Lujan, Jr.

Page Number	8	Schedule D

Part I
Positions Held Outside U.S. Government

All Filers: Report any positions held during the applicable reporting period. Positions include but are not limited to those of an officer, director, trustee, general partner, proprietor, representative, employee or consultant of any corporation, firm, partnership, or other business enterprise or any non-profit organization or educational institution. **Exclude** positions with religious, social, fraternal, or political entities or those solely of an honorary nature.

NONE ☐

	Organization (Name and Address)	Type of Organization	Position Held	From (Mo., Yr.)	To (Mo., Yr.)
Examples	Nat'l Assn. of Rock Collectors, NY, NY	Non-profit education	President	6/82	6/83
	Doe Jones & Smith, Hometown, USA	Law firm	Partner	7/78	11/83
	Manuel Lujan AGency	Insurance Agency	Board Member	1948	Resigned
	Lujan & Lujan	Real Estate	Partner	1968	Present
	Lujan Marchi Lujan	Equipment Leasing	Partner	1972	Present
	Sunwest Bank	Bank	Board Member	1988	Resigned
	Lovelace Medical Foundation	Medical Hospital and Research	Board Member	1988	Resigned
	First Congressional District Scholarship Foundation	Scholarship Group	Chairman	1984	Resigned

Part II
Compensation In Excess Of $5000
Paid by One Source

Nominees and New Entrants only: Report sources of such compensation received by you or your business affiliation for services directly provided by you during the reporting period. This includes the names of clients and customers of any corporation, firm, partnership or other business enterprise, or any nonprofit organization, when you directly provided the services generating a fee or payment of more than $5,000. You need not report the U.S. Government as a source.

NONE ☐

	Source (Name and Address)	Brief Description of Duties
Examples	Doe Jones & Smith, Hometown, USA	Legal services
	Metro University (client of Doe Jones & Smith) Hometown, USA	Legal services in connection with university construction
	None	

PREVIOUS EDITION USABLE

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1987

FORM A—For use by Members, officers, and employees

MANUEL LUJAN, JR.
(Full Name)

RM. 1323 LONGWORTH H.O.B.
(Mailing Address)
WASHINGTON, D.C., 20515

(Office Use Only)

Check the appropriate box and fill in the blanks

☒ Member of the U.S. House of Representatives—District 1st State NEW MEXICO

☐ Officer or Employee—Employing Office ____

☐ Check if amended Statement.

GENERAL INFORMATION

WHO MUST FILE AND WHEN:

- Each Member in office on May 15, 1988 must file a Financial Disclosure Statement on or before May 15, 1988.
- Any officer or employee of the Legislative Branch compensated at a rate equal to or in excess of the annual rate of basic pay in effect for grade GS-16, $63,135, as of January 1, 1987, for a period in excess of 60 days in calendar year 1987 shall file a Financial Disclosure Statement on or before May 15, 1988, if he or she continues to be such an officer or employee on May 15, 1988, and receives compensation equal to or in excess of the annual rate of basic pay in effect for grade GS-16, $64,397, as of May 15, 1988.
- Any employee of a Member who has been designated as a principal assistant for purposes of the Ethics in Government Act of 1978 and who performs the duties of his or her position for a period in excess of 60 days in calendar year 1987 shall file a Financial Disclosure Statement on or before May 15, 1988, if he or she continues to be such an employee on May 15, 1988.

WHERE TO OBTAIN ASSISTANCE: Committee on Standards of Official Conduct, U.S. House of Representatives, Room HT-2, Capitol Building, Washington, D.C. 20515. Telephone No. (202) 225-7103. Additional forms and instruction booklets may be obtained from the Committee office.

REPORTING INSTRUCTIONS

NOTE: Please read instructions carefully. Sign this form where indicated. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. For some categories of disclosure, a filer may attach a computer (or other) printout listing assets, such as investments, transactions, sales, etc. Such information may be obtained from financial investment (or other) organizations. In cases where such "printouts" are used, the material should be attached with an appropriate notation in the response area provided. **Complete all parts. (If NONE, so indicate.) Please type or print.**

REPORTING PERIOD: The period covered by this Disclosure Statement is calendar year 1987 unless otherwise indicated. *Gifts or reimbursements received during any period in the calendar year when the reporting individual was not a Member or employee need not be disclosed.*

I. SPOUSE AND DEPENDENT DISCLOSURE EXEMPTION

In general, the reporting individual is required to include financial information concerning his or her spouse or dependent children. However, in RARE CIRCUMSTANCES, WHERE ONE OR MORE FINANCIAL INTERESTS of a spouse or dependent child meets the three standards listed below, such interest need not be disclosed. Non-disclosure MUST be indicated by checking the space marked "YES". If all spousal and dependent children's financial interests are disclosed, "NO" should be checked in the space marked.

STANDARDS FOR EXEMPTION

(1) The item is the sole interest or responsibility of the spouse or dependent child, and the reporting individual has NO KNOWLEDGE of the item; and

(2) The item was not in any way, past or present, DERIVED FROM THE INCOME, ASSETS, OR ACTIVITIES of the reporting individual; and

(3) The reporting individual neither DERIVES, NOR EXPECTS TO DERIVE, any financial or economic benefit from the item.

NOTE: Only financial interests meeting the standards are exempted from disclosure, all other interests must be reported

ARE YOU AWARE OF ANY INTERESTS IN PROPERTY OR LIABILITIES OF A SPOUSE OR DEPENDENT CHILD OR PROPERTY TRANSACTIONS BY A SPOUSE OR DEPENDENT CHILD WHICH YOU HAVE NOT REPORTED BECAUSE THEY MEET THE THREE STANDARDS FOR EXEMPTION? YES ____ NO ✓ NA ____

For more information, see detailed Instruction Booklet at page 7.

II. INCOME

GENERAL GUIDELINES:

EARNED INCOME is represented by earnings from employment, or personal efforts; such income when it exceeds $100 from any one source must be disclosed at Part II-A, as to its SOURCE, TYPE, AND GROSS AMOUNT. In reporting honoraria, do not include amounts accepted for actual travel and subsistence expenses for yourself and your spouse, or aide, and amounts paid or incurred for any agent's fees or commissions; the DATE OF RECEIPT must be indicated. Earned income by Members is LIMITED to 30% of the Congressional salary they receive in a calendar year. THE 1987 LIMIT FOR MEMBERS IS $25,884.99 for incumbent Members and $23,878.49 for Members first taking office in January 1987. Earned income in excess of the limitation may be donated to any organization described in 26 U.S.C. 170(c). ANY honorarium, or other earned income, assigned to a charity (in whole or part) should be noted under "DISPOSITION". **IF NONE, SO STATE.**

EXCLUSIONS: Income from current U.S. Government employment need not be reported. Report the SOURCE, AND TYPE, but not the AMOUNT, of a spouse's earned income which exceeds $1,000. Income of a dependent child need not be reported.

For more information, see detailed Instruction Booklet at page 7

A. SOURCE	TYPE	AMOUNT	DISPOSITION
Manuel Lujan Ins. Agency	Salary	$3,000.00	----
Space Power Symposium	Honorarium	$1,000.00	----
Phillip Morris, Inc.	Honorarium	$2,000.00	----
Illinois Ambassadors	" "	$1,000.00	----
Furrs, Inc.	" "	$2,000.00	----
American Meritime Officers	" "	$1,000.00	----

UNEARNED INCOME includes, but is not limited to, earnings derived from assets or investments such as interest, rents and dividends. Unearned income must be disclosed at Part II-B when it exceeds $100 in value from any source during calendar year 1987. The unearned income of a spouse or dependent child must also be reported under this part. Filer may use a computer printout or similar listing, if so desired. Only the category of value of such income need be disclosed. Category A—not more than $1,000; B—$1,001-$2,500; C—$2,501-$5,000; D—$5,001-$15,000; E—$15,001-$50,000; F—$50,001-$100,000; G—over $100,000.

B. SOURCE	TYPE	CATEGORY
Public Service Co. of New Mexico	(Re-invested dividents)	B
Wright Patman Credit Union	Interest	A
Alb. Federal Credit Union	Interest	A
W.F. Hutton Mgmy. Fund	Interest	B
Income - sale of house - 589 Pecos Loop	Monthly Pymts.	B
First National Bank - Albuquerque N.M.		A
Manuel Lujan Agency	Interest	D
Manuel Lujan Agency - Payment from sale of stock		G

NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001-$15,000; C—$15,001-$50,000; D—$50,001-$100,000; E—$100,001-$250,000; F—over $250,000.

III. HOLDINGS

GENERAL GUIDELINES:

ASSETS: Stocks and bonds, real estate, savings accounts, and any other investment or property held for the production of income, during calendar year 1987, including business interests, that had a fair market value exceeding $1,000 as of the end of the year, must be reported by category of value. In listing the category of value of any item where it is difficult to determine an approximate fair market value, any recognized indication of value may be used provided that the method of valuation is included on the Disclosure Statement. (See Instruction Booklet at page 9 for methods of valuation.) **In listing securities, the name of each company in which stock worth over $1,000 is held must be listed separately. In reporting real property holdings, a brief description of the property (such as number of acres and indication of any improvements), and its location should be included. Filer may use a computer printout or similar listing, if so desired. IF NONE, SO STATE.**

TRUSTS: Except for assets held in a Qualified Blind Trust, described below, the holdings of and income derived from a trust or other financial arrangement in which a beneficial interest in principal or income is held by the reporting individual, his spouse, or any dependent children must be disclosed. (*See*, Exclusions)

EXCLUSIONS: Any deposits aggregating $5,000 or less in personal savings accounts as of the end of the year, and any personal liability owed to the reporting individual by a relative. A personal residence would not be reported UNLESS any part of the residence produces rental income. The cash value of a life insurance policy need not be reported. The reporting individual need only report the category of the amount of income received by him, his spouse, or dependents from; (1) a trust which was not created directly by such individual, his spouse, or any dependent, and with respect to which such individual, his spouse, and dependents have no knowledge of the holdings or sources of income of the trust; or (2) a "QUALIFIED BLIND TRUST," as defined in section 102(e)(3) of the Act. Such a trust must be approved by the COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT before it will be deemed a qualified blind trust under the Act. (Check the appropriate box below.)

DO YOU, YOUR SPOUSE OR DEPENDENT CHILD RECEIVE INCOME FROM OR HAVE A BENEFICIAL INTEREST IN A TRUST OR OTHER FINANCIAL ARRANGEMENT WHOSE HOLDINGS WERE NOT REPORTED BECAUSE THE TRUST IS A "QUALIFIED BLIND TRUST" OR OTHER EXCEPTED TRUST? YES ____ [✓ NO] NA ____

For more information, see detailed Instruction Booklet at page 8

IDENTITY	CATEGORY
FOR HOLDINGS - SEE CONTINUATION SHEET ATTACHED.	

IV. TRANSACTIONS

GENERAL GUIDELINES:

A brief description, the date, and category of value of any PURCHASE, SALE, OR EXCHANGE during calendar year 1987, which exceeds $1,000 in real property, stocks, bonds, commodities futures, or other forms of securities. The amount to be reported in disclosing transactions in real property or securities is the category of value of the total purchase price or total sales price, and is NOT related to any CAPITAL GAIN or LOSS on the transaction. INDICATE WHETHER THE PROPERTY WAS PURCHASED, SOLD, OR EXCHANGED. IF NONE, SO STATE.

EXCLUSIONS: Any purchase or sale of a personal residence, and any transactions solely by and between the reporting individual, his spouse, or dependent children.

NOTE: A computer printout may be attached to this form if it contains the information requested.

For more information, see detailed Instruction Booklet at page 10.

BRIEF DESCRIPTION	DATE	CATEGORY

V. LIABILITIES

GENERAL GUIDELINES:

All personal obligations aggregating over $10,000 owed to one creditor AT ANY TIME during 1987, whether secured or not, and regardless of the repayment terms or interest rates, MUST be listed. The identity of the liability should include the name of the individual or organization to which the liability is owed, and the amount disclosed should be the category of value of the largest amount owed during the calendar year. Any contingent liability, such as that of a guarantor or endorser, or the liabilities of a business in which the reporting individual has an interest need not be listed. IF NONE, SO STATE.

EXCLUSIONS: Any mortgage secured by the PERSONAL RESIDENCE of the reporting individual or spouse (including a second residence or vacation home) that is NOT held for the PRODUCTION OF INCOME; any loan secured by a PERSONAL MOTOR VEHICLE, or household furniture or appliances, provided such loan does not exceed the purchase price of the item; and any liability owed to a relative.

For more information, see detailed Instruction Booklet at page 10.

IDENTITY	CATEGORY

VI. GIFTS

GENERAL GUIDELINES:

The term "gift" means a payment, advance, forbearance, rendering, or deposit of money, or any thing of value, unless consideration of equal or greater value is received by the donor. IF NONE, SO STATE.

EXCLUSIONS: Gifts from relatives, and gifts of personal hospitality of an individual, and political campaign contributions need not be reported. Gifts with a value of $35 or less need not be aggregated towards the $100 or $250 disclosure threshold.

HOUSE RULE XLIII, clause 4, prohibits acceptance of gifts aggregating $100 or more in value from any source having a "direct interest in legislation" before the Congress, or from a foreign national. Thus, this disclosure requirement applies primarily to gifts from personal friends, constituents, and other individuals or groups that do not have a "direct interest in legislation".

For more information, see detailed Instruction Booklet at page 11.

A. The source and a brief description of *gifts of transportation, lodging, food, or entertainment* aggregating $250 or more in value received from any source during calendar year 1987.

SOURCE	BRIEF DESCRIPTION
None	

B. The source, a brief description, and value of *all other gifts* aggregating $100 or more in value received from any source during calendar year 1987.

SOURCE	BRIEF DESCRIPTION	VALUE
None		

VII. REIMBURSEMENTS

GENERAL GUIDELINES

PART VII. includes items such as travel expenses provided in connect   with a **SPEAKING ENGAGEMENT** or **FACT-FINDING EVENT** related to official duties, whether those expenses were **REIMBURSED** to the individual or **PAID DIRECTLY** by the sponsoring organization. Only a brief description of the itinerary and the nature of the expenses aggregating $250 or more in value received from any source during calendar year 1987, is required rather than exact dollar figures. **IF NONE, SO STATE.**

EXCLUSIONS: Travel-related expenses provided by federal, state, and local governments, or by a foreign government within a foreign country, and reimbursements paid from campaign funds, need not be reported.

For more information, see detailed Instruction Booklet at page 12

The source and a brief description of *reimbursements* aggregating $250 or more in value received from any source during calendar year 1987

SOURCE	BRIEF DESCRIPTION
Waste Management, Inc. (Speech)	
Illinois Ambassadors	Travel & Lodging 3-30-87
Phillip Morris, Inc.	Travel & Lodging 6-8-87
Congressional Institute, Inc.(Seminar)	Travel & Lodging 3-4-87

VIII. POSITIONS

GENERAL GUIDELINES:

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution. **IF NONE, SO STATE.**

EXCLUSIONS: Positions held in any religious, social, fraternal, or political entities, and positions solely of an honorary nature.

For more information, see detailed Instruction Booklet at page 13.

POSITION	NAME OF ORGANIZATION
Director	Manuel Lujan Ins. Agency
Chairman	First Congressional District Scholarship Fund

IX. AGREEMENTS

GENERAL GUIDELINES:

A description of the date, parties to, and terms of any agreement or arrangement with respect to future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer. **IF NONE, SO STATE.**

For more information, see detailed Instruction Booklet at page 13.

DATE	PARTIES TO	TERMS OF AGREEMENT
None		

This Financial Disclosure Statement is required by the Ethics in Government Act of 1978, as amended (2 U.S.C. §701 et seq.). The Statements will be made available to any requesting person upon written application and will be reviewed by the Committee on Standards of Official Conduct. Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions (see 2 U.S.C. §706 and 18 U.S.C. §1001).

Signature	Date
	5-12-88

WHERE TO FILE:

RETURN COMPLETED STATEMENT
(WITH TWO COPIES) TO:

The Clerk, U.S. House of Representatives
Office of Records and Registration
1036 Longworth House Office Building
Washington, D.C. 20515

EXTENSIONS: The Committee on Standards of Official Conduct may grant reasonable extensions of time for filing any Disclosure Statement. An extension request must be in writing, and should state the reason the extension is necessary, and be directed to the Chairman of the Committee, Representative Julian C. Dixon.

Page 1 of 1

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT

CONG. MANUEL LUJAN, JR.
(Name)

Continuation Sheet

Part — Source, Type, Amount, Category, Description or Value (As Applicable)

IDENTITY	CATEGORY
Manuel Lujan Agency (Insurance)	G
Manuel Lujan Agency (Real Estate)	B
Lujan and Lujan	G
Lujan, Marchi, Lujan	C
Public Service Co. of New Mexico (Stock)	E
E. F. Hutton Mgmt. Fund	G
Wright Patman Credit Union	A
Albuquerque Federal Credit Union	A
Contract of Sale of House - 589 Pecos Loop	D
Contract Sale of some stock - Manuel Lujan Agcy	F

[illegible]

APPENDIX II

Responses to Additional Questions From Mr. Lujan

Department of the Interior
18th and C Streets, N.W.
Washington, D.C. 20240

JAN 30 1989

Honorable J. Bennett Johnston
Chairman, Committee on Energy
and Natural Resources
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

Enclosed please find my responses to questions for the record following my confirmation hearing on January 26. If you have any further questions, please let me know.

I deeply appreciate all your assistance in expeditiously scheduling my hearing before your Committee. I look forward to working with you and your colleagues in the coming months.

Sincerely,

Manuel Luján, Jr.
Secretary-Designate

Enclosure

cc: Honorable James A. McClure
Ranking Minority Member

Senator Johnston

1. Question: Have you ever been investigated, arrested, charged or held by any Federal, State or other law enforcement authority for violation of any Federal, State, county or municipal law, regulation, or ordinance, other than a minor traffic offense? If so, please explain.

   Answer: No

Senator Johnston

2. Question: Have you ever been convicted (including a plea of guilty or nolo contendre) of any criminal violation other than a minor traffic offense?

Answer: No

Senator Johnston

3. Question: Have you ever been disciplined or cited for a breach of ethics for unprofessional conduct by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details.

   Answer: No

Senator Johnston

4. Question: Have you or your spouse ever represented in any capacity (e.g., employee, attorney, business, or political adviser or consultant), with or without compensation, a foreign government or an entity controlled by a foreign government? If so, please fully describe such relationship.

Answer: No

Senator Johnston

5. Question: If you or your spouse has ever been formally associated with a law, accounting, public relations firm or other service organization, have any of your or your spouse's associates represented, in any capacity, with or without compensation, a foreign government or an entity controlled by a foreign government? If so, please fully describe such relationship.

   Answer: No

Senator Johnston

6. Question: During the past ten years have you or your spouse received any compensation from, or been involved in any financial or business transactions with, a foreign government or an entity controlled by a foreign government? If so, please furnish details.

Answer: No

Senator Johnston

7. Question: Have you or your spouse ever registered under the foreign Agents Registration Act? If so, please furnish details.

   Answer: No

Senator Johnston

8. Question: Were all your taxes (Federal, State, and local) current (filed and paid) as of the date of your nomination hearing? If not, please explain.

Answer: Yes

Senator Johnston

9. Question: Have all your Federal, State, and local taxes always been paid on time? If not, please explain.

Answer: Yes

Senator Johnston

10. Question: If confirmed, are there any known limitations on your willingness or ability to serve for your full term or until the next Presidential election, whichever is applicable?

    Answer: No

Senator Johnston

11. Question: Please advise the Committee of any additional information, favorable or unfavorable, which you think the Committee would want to be aware of in considering your nomination.

Answer: I can think of no further information which the Committee would want to be aware of in considering my nomination.

Senator Johnston

12. Question: Over the past two decades, there has been tremendous political and economic development in the territories. Consequently, the role of the Federal government has shifted from emphasis on program and grant administration towards an emphasis on status negotiations and Federal Agency coordination. Unfortunately, the Federal Government has not been reorganized to respond to this shifting Federal role, and as a result, the territorial governments are increasingly frustrated with the Federal Government's lack of responsiveness to their needs.

    Do you agree that the Office of Territorial Affairs should be reorganized in response to the changing role of the Federal Government?

    Answer: I am open to suggestions, and anxious to review options including reorganization, that will improve the responsiveness and effectiveness of Federal insular programs.

Senator Johnston

13. Question: Would you commit to working with the Committee and the territorial governments to reorganize Territorial Affairs to make it a more effective operation?

    Answer: I plan on reviewing the various organizational options. I am strongly committed to working with your committee and territorial governments to make territorial affairs an effective operation.

Senator Johnston

14. Question: In 1980, consideration was given to the idea of placing responsibility for territorial affairs in an interagency office in order to enhance interagency cooperation and the conduct of broad ranging status negotiations.

Would you have any objections to moving territorial affairs from the Department of the Interior if, following a review, it appeared such a reorganization would be appropriate?

Answer: I am willing to review the issue. If such a review by the Bush Administration, in consultation with the Congress, concludes that a reorganization is appropriate, I would not object.

Senator Johnston

15. Question: Territorial Affairs are fundamentally different from many areas of Federal policy because of the plenary authority of Congress with respect to the territories. Accordingly, the Committee expects to be consulted closely prior to a nomination for the position of Assistant Secretary for Territorial Affairs. Can you assure the Committee of your cooperation on this nomination?

    Answer: Yes, you will have my full cooperation on this nomination.

Senator Johnston

16. Question: Should the Committee expect major changes in the recently submitted territories budget? If yes, when can we expect those changes?

Answer: The President's address to the Congress on February 9 will include a budget revision. The degree to which this revision will affect programs, including the territories budget, is currently under consideration.

Senator Johnston

17. Question: Do you plan to visit the territories in the near future? If yes, will you be discussing the issue of territorial affairs organization with the territorial governors?

    Answer: If confirmed, I am considering an invitation to accompany Chairman Morris Udall and members of the House Committee on Interior and Insular Affairs to several of the territories during the February 10-20 Congressional recess.

    The issue of territorial affairs organization is complicated and somewhat controversial. I do not plan on any detailed discussions on this issue with the territorial governors at this time.

Senator Johnston

18. Question: One of the most important natural resource related issues for my state, and really the entire nation, is that of wetland protection, acquisition, and restoration. We currently lose large amounts of wetlands every year. In fact, annual wetland loss in this country since the mid 1950's has averaged some 400,000 acres per year, an area half the size of the state of Rhode Island.

This terrible loss has significant adverse impacts on wildlife, recreation, commercial fishing, tourism and a variety of inter-related industries and activities.

In recent years, Congress has begun to recognize the potential dangers associated with wetland loss and has initiated a number of studies and programs to help correct this situation. Certainly more needs to be done, and I plan to work with a number of colleagues from Louisiana and elsewhere in putting forth initiatives and the funding necessary to help solve this important problem.

Being from New Mexico, you may not have had an opportunity to experience this issue first hand. I would like to extend an invitation to you to come to Louisiana and get an "on-the-ground" look at this problem and to familiarize yourself with some of the issues confronting us. While I am not asking you to go on record today for or against any particular wetlands program or policy, I do want to get your assurances that you will learn about this problem. I urge you to talk with experts in the Fish and Wildlife Service, U.S. Geological Survey, and elsewhere in the Department and become involved with this issue. Then I hope you will work with us in trying to address what I believe is one of this country's most serious environmental threats.

Would you comment please?

Answer: Although the problem of wetlands loss is a national problem, I am aware that the problem is particularly severe in Louisiana where 25 percent of the vegetated wetlands in the lower 48 states are found. I am aware that nearly 50 square miles of your coastal wetlands disappear annually and that, since 1956, more than 1,000 square miles of freshwater wetlands in Louisiana have been lost or have been converted. I would welcome the opportunity to come to Louisiana and learn about this problem firsthand.

Addressing the problem of wetland loss nationally will be a major priority of the Department of the Interior. As you have mentioned, the U.S. Geological Survey and the U.S. Fish and Wildlife Service are actively involved with this problem. In addition to these bureaus, I will work with the Army Corps of Engineers and U.S. Environmental Protection Agency to address wetland losses. President Bush has endorsed the goal of "no net loss of wetlands." This goal will be at the forefront of our efforts both within and outside the Department.

Senator Johnston

19. Question: There have been a number of proposals in recent years to establish a variety of permanent appropriation accounts or so-called "trust funds" to fund various fish and wildlife, outdoor recreation and land acquisition programs. Without getting into the specifics of any one program, I am curious how you personally feel about the concept of ear-marking funds, investing them, and then dedicating the interest earned on those funds to the protection of land and other natural resources?

Answer: As you know, President Bush has endorsed the concept of a trust fund to support our parks and refuges. I am open to suggestions as to details of such a trust fund and look forward to working with the Congress, recognizing necessary budget considerations.

Senator Johnston

20. Question: One of the Department's programs I follow very closely is the Land and Water Conservation Fund. The LWCF is a critical source of funding for the acquisition of parks, refuges, and forests as well as a major funding source for State and local recreation programs.

The Reagan Administration sent us eight budgets--all but one of which requested no funding for either the Federal or State side of the Land and Water Conservation Fund. The Congress appropriated funds over the President's objections each time. Can you give me your commitment to at least review the benefits and the important contributions made by the Land and Water Conservation Fund with a view towards requesting at least some funding for this important program during the new Administration?

Answer: Yes. You have my commitment to review the benefits and contributions made by the Fund as well as my commitment to work toward including funding for it in President Bush's budget recommendations.

Senator Johnston

21. Question: I note that President Reagan's FY90 budget assumes that 100% of the revenues guaranteed from oil and gas leasing in ANWR are to be credited to the Treasury of the United States. Forgetting about the claims of the state of Alaska for now, don't you believe that it makes sense for some of that money to be earmarked for fish and wildlife, parks and other conservation related programs? I just think it is naive to assume that the Congress is going to open this environmentally sensitive and very contentious area and put all the money in the Treasury.

Answer: I recognize the unlikelihood that Congress would consent to opening the Arctic Refuge to oil and gas development without some provision for resource conservation benefits. While I must reserve any comment on the budget at this point, the practical linkage between development of the refuge and the use of related oil and gas revenues for conservation programs is apparent.

Senator Johnston

22. Question: Throughout the 1960's and 1970's, virtually every Bureau Chief within the Department of the Interior was a career professional. During the last eight years political appointees have been placed in almost every one of these positions at the Department which have traditionally been held by career, mostly non-political people.

As I am sure you already realize many of the difficult issues you will deal with in the Department will be non-partisan and will not require political judgments. I urge you to reverse what I see as a trend toward more politicalization in the Department, and to rely more on the good judgment of the large cadre of career professional resource and program managers you have at Interior.

Do you have any thoughts on this matter?

Answer: Let me first emphasize that I have tremendous respect for the career professional resource and program managers at the Department of the Interior. Also, I fully intend to review carefully all management positions currently filled by political appointees. My overall goal in selecting a new management team for the Department will be to identify and place the most qualified, competent individuals committed to and able to carry out our stewardship mission. Finally, I believe it is important to reflect on the fact that the Department of the Interior is staffed by over 72,000 employees, only 108 of whom are political appointees. I believe it is possible to achieve and, therefore, I will work toward insuring an effective mix of political and career management to carry out the stewardship mission of the Interior Department.

Senator Johnston

23. Question: One of the hallmarks of the previous Administration with regard to public lands issues has been a lack of policy initiatives and original proposals. With only a few exceptions, the Department has taken a very reactive posture in terms of policy formulation in the area of natural resources.

I hope you will bring some new ideas and new programs to the Committee. This doesn't mean new spending programs or new bureaucracies. I am sure there are a number of things the Department can propose which do not involve more money or new programs, but simply are better ways of doing the job. I know that the Department of the Interior is filled with capable and creative people, and I hope you will seek their advice and counsel. I look forward to the Department coming before this Committee often to initiate and propose new ideas, rather than waiting for the Congress to initiate the action.

Any comments?

Answer: I believe that the President has clearly established a new direction for the Administration. I share his visions of America. If confirmed as the Secretary of the Interior, I will find many creative and dedicated employees within the Department of the Interior who will assist us in achieving the initiatives of the Bush Administration. I will seek a harmonious relationship with the Congress in pursuing legislative initiatives as well as support in actively implementing programs, which properly balance the need for responsible development of this Nation's natural resources, while ensuring protection and improvement of our environment. I will be especially interested in programs that provide greater service to the public and efforts to provide that service at a lesser cost.

Senator Johnston

24. Question: It is my understanding that in the 100th Congress you co-sponsored legislation which would give states, where the Federal Government owns more than 25 percent of the land, a right to veto the designation of new congressionally established wilderness areas in that state. While I am not interested in the particulars of this bill itself, I would like for you to explain your rationale for supporting such a concept.

Answer: In the last Congress I was a cosponsor of a bill, H.R. 3727, that would have given any State in which the lands are more than 25 percent federally-owned the right to issue a "notice of disapproval" regarding the establishment of wilderness areas located in that State. A "notice of disapproval" from a State would generate another review by the Congress and allow the Congress to either override the notice of disapproval so that the previous designation remains in effect or to allow the notice of disapproval to negate the designation. I cosponsored the bill so as to give us a forum within which to fully examine the issue of wilderness designations in those 11 States where the Federal Government owns over 25 percent of the land. Wilderness designations in these 11 States will have significant impacts and I believe the issue of whether a State should have more involvement in wilderness designation is one that should be carefully and thoroughly examined.

Senator Johnston

25. Question: What do you consider to be your most significant legislative accomplishments in the field of natural resources?

Answer: In considering the various legislative successes in the field of natural resources with which I have been associated, it is difficult to decide which I would categorize as most significant. I labored long and hard over several national trail bills, over various wild and scenic river bills and over some very important wilderness area designations. Perhaps the most significant piece of legislation, which was enacted into law, was Public Law 96-550, my bill which created a series of wilderness areas in New Mexico amounting to over 600,000 acres of precious land which will be forever preserved in its natural state for our children's children.

Senator Johnston

26. Question: One of the problems that we always seem to have is receiving Departmental testimony for hearings in a timely manner. The rules of the Senate require that testimony be available to the Committee members at least 24 hours prior to the hearing. It is very important that members and their staffs have copies of Departmental testimony in advance so that questions and background information can be prepared so that the hearing can be as productive as possible.

While there may be instances when the Committee does not provide sufficient notice to meet such a deadline, in most instances the Department has plenty of advance warning of hearings and there is simply no reason why the Department cannot have its testimony here on time. I urge you to work with the other members of the Department and OMB to try to improve the Department's record in this regard.

Can you give us some assurances in this regard?

Answer: As a former member of Congress, I certainly understand your concern regarding congressional hearing testimony deadlines. You can be assured that one of my first notices to the Department will be on the 24-hour rule. I will also review Department procedures as they relate to the Office of Management and Budget and implement any improvements that may need to be made.

Senator Johnston

27. Question: In your 20 years in Congress, you have had an opportunity to observe several Secretaries of the Interior. I suppose you have read of others who predate that time.

Which of the former Secretaries of the Interior would you most like to emulate and why?

Answer: I would be honored to be capable of emulating Secretary Donald Paul Hodel. His masterful record of balancing the competing and often conflicting interests confronting today's Secretary will stand as a landmark to effective government. Although Secretary Hodel's honesty, integrity, dedication and superlative management abilities will be difficult to duplicate, I intend to try.

Senator Johnston

28. Question: What do you think should be the Federal role, vis-a-vis the State's in managing our public resources?

Answer: More than a third of my home State is Federally owned, so I am keenly aware and sensitive to the need for cooperative relations between the Federal Government and the States in managing our public resources. The Department has come a long way since the days when I was a Representative during the Sagebrush Rebellion. One of the problems during that time was that the Federal Government wasn't responsive or sensitive to the States. Fortunately, that has changed in the last 8 years.

If confirmed as the Secretary of the Interior, I plan to add strength to the working relationship developed with State and local governments.

Senator Johnston

29. Question: How do you view your role as steward of the Nation's public lands?

Answer: As does the President, I believe in conservation and wise management of our natural resources. I am committed to protecting and enhancing the Nation's valuable resources as well as proceeding with their development in an environmentally sound manner. We can do both. We do not have to choose one over the other.

As I said in my confirmation hearing, stewardship expands into 10 interrelated points: Stewardship; Territories; Education; War on Drugs; America the Beautiful; Responsible, Efficient and Ethical Management; Domestic Resources; Science and Technology; Harmony; Indian Tribes and Alaska Native Groups; and Partnerships. If confirmed as Secretary of the Interior, I intend to address all of them, giving each the maximum attention and leadership possible.

Senator Johnston

30. Question: During the campaign, President Bush pledged a renewed commitment to the environment. Do you think we have achieved an appropriate balance between the development of federal mineral resources and protection of the environment?

Would you anticipate any shift in this balance during your tenure as Secretary?

Answer: If confirmed, I intend to be fully supportive of the President's goals. I believe we have come a long way toward meeting the goal of balanced mineral development and environmental protection. I also believe that mineral development on public lands does not need to be at the expense of the environment. Nor does protection of the environment need to eliminate the mineral development this country needs if we expect to maintain our status as a leading world power and if we wish to maintain our high standard of living.

I expect to continue that balanced approach. I hope that it will be accomplished in a continuing spirit of cooperation amongst all local governments, public land users, the Congress, and the Department of the Interior.

Senator Johnston

31. Question: Do you think our federal mineral resources should play an increasing role in contributing to our national energy independence? Specifically what steps, if any, do you anticipate taking as Secretary to increase our energy security?

Answer: It is critical that Federal lands take their place alongside private lands in meeting the Nation's energy needs. One-third of America is Federal land, yet production from onshore Federal leases accounts for only 5 percent of the Nation's oil and gas.

If confirmed as Secretary of the Interior, there are several steps that I will be directing the Department to take during the coming years to increase the contribution from Federal lands toward our energy security. Some opportunities are still in the idea stage, but many programs have already been initiated and will be continued.

First, we must consider oil exploration opportunities in the Arctic National Wildlife Refuge. It is something we will evaluate very carefully, in terms of protection of the environment during the exploration process and, if the resources prove out, during prudent development. But with recent statistics showing us an import ratio of foreign versus domestic oil approaching 50 percent of our needs, this country can not afford to turn its back on another possible Prudhoe Bay.

The offshore oil and gas leasing program accounts for roughly one-quarter of our nation's natural gas production and one-eighth of the oil production. As our onshore oil and gas resources are used, I believe we must start to look more and more toward the OCS to help us become less dependent on foreign imports. It is vital that as our emphasis shifts, we continue to balance our perspective on the need to produce resources and to protect our precious environment.

Because the market for coal is likely not to increase significantly in the foreseeable future, I do not forsee any significant increase in the amount of coal leasing on public lands in the near term. However, we need to have a viable coal leasing program in place -- one that takes into account market needs and incorporates significant participation by State governments, other Federal agencies, and the public.

Senator Johnston

32. Question: As Secretary of the Interior, what do you think will be your three greatest challenges?

Answer: The first challenge will be to, on a continuing basis, maintain a line of two-way communications with all of the citizens, government officials, and members of Congress. As I stated at the confirmation hearing, I want to avoid lines being drawn which lead to confrontation.

My second challenge will be to balance the nation's need to responsibly develop our natural resources against my firm commitment and the President's commitment to protect and preserve our environment for the generations to come. As I stated before the Committee, we can do both. However, if I were to err, it will be on the side of protection.

My third great challenge is to ensure that Interior takes a leadership role in the fight against drugs. Whether it's a U.S. Park Police effort in Rock Creek Park, a park ranger helping with interdiction along the Rio Grande or a BLM ranger destroying marijuana plants, we must all join the fight against this problem that threatens the very soul of our nation.

Senator Johnston

33. Question: What initiatives do you plan to undertake at the Department?

Answer: I intend to make the concept of stewardship the guiding principle for the Department's programs. In carrying this out, I plan to focus on 9 major areas. In particular, I will--

(1) work to further the political, economic, and social goals of the Territories and Freely Associated States;

(2) develop natural resource-oriented educational programs that will encourage children to stay in school and adults to pursue lifelong learning opportunities;

(3) aggressively implement the Nation's anti-drug policies;

(4) assure that "America the Beautiful" is passed on for generations to come;

(5) provide for responsible, efficient, and ethical management of the Department, emphasizing wider participation by women and minorities in Departmental management;

(6) strengthen the Department's scientific and technological capabilities and apply them to national and international environmental problems;

(7) encourage harmonious resolution of natural resource issues;

(8) work with Native Americans to achieve their goals for self-government and self-determination; and

(9) seek to recruit the talents of at least 50,000 volunteers to work in partnership for the conservation of our national heritage.

Senator Johnston

34. Question: "As Secretary of the Interior, you are responsible for our Nation's vast mineral resources found in the public lands. I am concerned by what I see as a trend in management of those resources. In the last 12 months the previous Administration:

lowered the royalty rate on federal oil and gas to a fixed 12-1/2 percent;

lowered the rental on federal oil and gas leases;

lowered the minimum bid for OCS leases;

proposed to lower the royalty rate for underground coal from 8 to 5 percent; and

proposed to allow coal royalty rate reductions on a state and regional basis."

35. Question: How much will this cost the Federal Treasury?

36. Question: Is the public getting a fair return on its mineral resources?

37. Question: How can these changes be justified?

Answer: I agree with the concerns expressed in your questions. This nation is in no position to be giving away its vast inventory of mineral resources. Federal oil and gas royalties, lease rental rates, bids on offshore oil and gas leases and other forms of revenue to the Federal Government are vital in this day of tight budgets and enormous deficits.

I have been told that it would be very difficult to assess the total fiscal impacts of these initiatives with any degree of certainty. Accuracy is limited by the broad and complex interrelationships of the economic assumptions which underlie any analysis of fiscal impacts. For example, I have been informed that the total return on Federal leases, comprised of bonuses, rents and royalties, should not be impacted by the adoption of a fixed royalty; minimum bids for OCS leases must still meet the fair market value tests of the Minerals Management Service prior to acceptance; and while a lowered lease rental for onshore oil and gas leases will result in a reduction of approximately $35 million annually (one-half of which is paid directly to States), the enhanced ability to hold leases, coupled with the ability to redirect these funds to exploration and development activities may tend to reduce the fiscal impacts of the initiative.

Although I am not now conversant enough in the intricacies of the statutes which dictate how these programs must be structured, if confirmed as Secretary of the Interior, I plan to review each of the areas you have mentioned and to see what can be done to ensure that the Federal Government is fairly compensated for any dispositon of the mineral resources within its control.

Senator Johnston

38. Question: On July 29, 1988, the Department issued a proposed rule seeking comments on whether the royalty rate for underground coal should be changed from the current rate of 8 percent of the value of production to 5 percent or some fixed rate between 5 and 8 percent. We understand that the Department favors making the underground rate 5 percent.

Do you support this reduction in the underground rate?

A BLM report concluded that there is no justification for changing the underground rate and that specific royalty considerations should be handled on a case-by-case basis under section 39. Why, then, is the Department moving forward with the change in royalty rate?

Answer: No final rulemaking has yet been published. The issue is currently pending within the Department. If confirmed as Secretary of the Interior, I would be most interested in your views along with those of others who are interested in or impacted by this decision. Establishing a royalty rate for underground coal is an important issue which deserves a full review of all of the facts prior to taking a firm position.

Senator Johnston

39. Question: Production of Federal coal has increased some 425 percent in the last decade. Given this trend, why is the Department proposing lower royalty rates for underground coal?

Answer: The issue of an appropriate underground coal royalty rate is pending with the Department for consideration. If confirmed, I will examine all the associated facts, including the increase in coal production prior to making a final decision on this issue.

Senator Johnston

40. Question: On August 5, 1988, the Department published proposed guidelines for regional coal royalty reductions, under which coal royalties can be reduced in entire States or regions.

Do you support this concept?

How would you ensure the statewide or regional reductions would not result in market distortions and dislocations?

What areas do you expect will obtain relief under these guidelines?

Has the Department determined the budget impacts of these reductions? What are your estimates on a State-by-State basis?

Under existing section 39 guidelines, royalties can be reduced to as low as low as 2 percent on a case-by-case basis. Why isn't this sufficient to afford relief where needed?

Answer: I am told that the proposed guidelines, including budget impacts, are under review in the Department. If confirmed as Secretary of the Interior, I will actively participate in the Departmental review. As I understand the proposal it would require applicants to meet the following five criteria:

1. The Federal Government is not market dominant;

2. Federal royalty rates are above the current market royalty rate for non-Federal coal in the area;

3. Federal coal could be bypassed or remain undeveloped due to the royalty rate differential;

4. The above conditions exist throughout the geographic area; and

5. A category 5 royalty rate reduction is not likely to result in undue competitive advantages over neighboring areas.

Market impacts would be examined prior to qualification under category 5.

The study addressed conditions in Oklahoma, North Dakota, and Alabama. However, other States may petition for consideration under category 5.

Budget impacts and estimates are under review.

The relationship of the new category to the existing procedures is also under review in the Department.

Senator Johnston

41. Question: The Department has recently promulgated product value rules for coal. Under these rules, AML fees, black lung fees and State severance taxes will be excluded from the "value" of coal for purposes of calculating the royalty. I am interested in the budget impact of these rules.

Please provide for the record on a State-by-State basis the revenue implications of not including each of these items in "value" for royalty purposes.

Answer: I understand that the Department does not have precise amounts at this time but estimates the total revenue reduction to be approximately $34 million; 50 percent of which would affect the States, 40 percent the Reclamation Fund, and 10 percent the Federal Treasury. Not reflected in these figures is the possible $11.5 million resulting increase in Federal tax collections or increases in state tax collections.

The Minerals Management Service estimates the revenue implication by State as follows:

States	SMCRA Fee	Black Lung Excise Tax	Severance Tax	Total	State's Share
Colorado	0.37	0.76	0.87	2.00	(1.00)
Montana	0.83	1.29	5.52	7.64	(3.82)
New Mexico	0.15	0.24	0.71	1.10	(0.55)
North Dakota	0.08	-	0.63	0.71	(0.35)
Utah	0.18	1.47	-	1.65	(0.82)
Wyoming	3.37	4.70	12.54	20.61	(10.31)
Total	4.98	8.46	20.27	33.71	(16.85)

Senator Johnston

42. Question: Do you think that the existing statutory requirements relating to diligent development of Federal coal leases need to be modified?

Answer: I am told that in many cases the diligence periods for placing leases into production are too short. Therefore, this is an important issue which needs to be addressed. If confirmed as Secretary of the Interior, I will be asking for further information on this complex issue. I will be happy to work with the Committee regarding any changes to current law that are deemed appropriate.

Senator Johnston

43. Question: We understand that the Department currently is working on a rulemaking relating to the processing of oil shale patent applications. What is the status of this rulemaking?

Answer: I have been advised that proposed rules that would define the standard for discovery of a valuable oil shale deposit within the meaning of the Mining Law and implement the U.S. Supreme Court decision of *Andrus v. Shell Oil Co.* (1980) are expected to be published in the *Federal Register* in the near future. The proposed rulemaking also would clarify the ability of the Government to challenge mining claims for failure to substantially comply with assessment work requirements of the Mining Law, consistent with Supreme Court holdings in 1930, 1935, and 1970. If confirmed, I intend to review this rulemaking.

Senator Johnston

44. Question: We understand that the Department has indicated that it will not issue any additional patents for oil shale at least until these rules become final. Can you confirm this for me?

Answer: You are correct. I understand that the Department of the Interior will not issue any further mineral patents for oil shale mining claims until the standards by which claim validity is to be judged are finalized in rulemaking, although such rules are not legally necessary to implement the law.

Senator Johnston

45. Question: As I understand it, the Department will allow the resumption of assessment work to be an absolute defense in any contest action based upon assessment work. Thus, a claimant who has not performed assessment work for a lengthy period -- say 30 or 40 years -- can be deemed to have complied with the annual assessment work requirement if work is resumed before contest proceeding is initiated. To me, this is grossly inconsistent with the plain language of the law requiring "annual" assessment work, and the interpretation of the Supreme Court requiring "substantial compliance" with the annual assessment work requirement. How can you justify the use of such a standard?

Answer: I am aware that this issue has a long and complex history. I am informed that the Department's position on the "resumption principle" is based on the express language of the Mining Law. However, if confirmed, I will request the Solicitor to review this issue before final oil shale regulations are adopted.

Senator Johnston

46. Question: Please provide for the record a listing of:

- (1) patent applications pending;
- (2) claims involved;
- (3) claimants;
- (4) acreage involved;
- (5) state where claim is located;
- (6) status of application processing; and
- (7) projected date of patent issuance.

Answer: The BLM has provided me with the following information in response to your inquiry.

COLORADO

Harlan and Dorothy HUGG
C-35080 filed 2/19/82 for 7 claims encompassing 1,120 acres.
First half final certificate issued 12/18/84.
C-36293 filed 8/24/82 for 13 claims encompassing 2,080 acres.
First half final certificate issued 6/4/85.

EXXON
C-38579 filed 1/23/84 for 20 claims encompassing 3,203.8 acres. Awaiting "waiver" from applicant to acknowledge that BLM may challenge claims on the basis of assessment work nonperformance. No response, hence certificate not issued.

UNION OIL CO. of CALIFORNIA
C-39464 filed 10/26/83 (out of C-38402) for 10 claims encompassing 1,216.14 acres. First half final certificate issued 1/11/84.

TOSCO
C-41836 filed 6/11/85 for 12 claims encompassing 1,880 acres.
First half final certificate issued on 7/27/88.

MARATHON
C-43354 filed 4/4/86 for 6 claims encompassing 982.92 acres.
First half final certificate issued 05/11/88.

All the following patent applications are in the adjudication of title documents stage only:

MT. LOGAN COMPANY
COC-48471 filed 4/19/88 for 6 claims encompassing 963.32 acres.
Claims are in Garfield Co., T. 7 & 8 S., R. 97 W.

Orville ALTENBERN
COC-48472 filed 4/19/88 for 9 claims encompassing 1,320 acres.
Located in Rio Blanco & Garfield Co's., T. 4 & 5 S., R.100 W.

Joan L. SAVAGE
COC-48544 filed 6/24/88 for 4 claims encompassing 640 acres.
Claims are in Garfield Co., T. 5 S., R. 99 W.
COC-48944 filed 9/21/88 for 9 claims encompassing 1,440 acres.
Claims are in Garfield Co., T. 6 S., R. 100 W.

Joan L. SAVAGE & Isabell PRIEN
COC-48545 filed 6/24/88 for 1 claim encompassing 160 acres.
Claims are in Garfield Co., T. 5 S., R. 100 W.

John HERR, Neil MINGER, Jean & James LARSON
COC-48558 filed 7/1/88 for 64 claims encompassing approx. 10,240 acres.
Claims are in Garfield Co., T. 6 S., R. 100 & 101 W.

Joan L., John W. Jr., Roy E., Marshall T., and Daniel W. SAVAGE
COC-48968 filed 10/12/88 for 6 claims encompassing 716 acres.
Claims are in Garfield Co., T. 5 S., R. 99 & 100 W..

UTAH

Fred LARSON

U-63241 filed 3/17/88 for 175 claims, encompassing approx. 28,000 acres. Abstract of title only recently received. It appears that several non-contiguous blocks of claims are included, thus several applications may have to be submitted.

WYOMING

None received as of 01/27/89.

The Department is unable to state a projected date of patent issuance for the above applications for several reasons. First, it is by no means determined that the claims in these applications have satisfied all the criteria for patent, and some may indeed be contested rather than patented. Secondly, until final rules are published clarifying the proper standards of discovery and assessment work inquiry, the Department will not patent any oil shale claims. Generally speaking, though, the first six applications listed are the closest to final action because they have been pending the longest and (except for C-38579) have received first half final certificate, which means that the office adjudication phase is completed, and only field verification is necessary.

Senator Johnston

47. Question: As you know, the Federal Onshore Oil and Gas Leasing Reform Act of 1987 ("the Reform Act") was enacted last Congress. That Act set the minimum bid for onshore oil and gas leases at $2 per acre for a period of 2 years. Thereafter, the Secretary has discretion to set a higher minimum bid upon making certain findings.

Do you anticipate exercising your discretion to raise this minimum bid?

Answer: If confirmed, I will review the possibility of raising the minimum bid. However, at current prices, it does not seem probable that the minimum bid will, or should, be raised.

Senator Johnston

48. Question : Do you anticipate reinstituting a lottery as a part of the Federal onshore oil and gas leasing program?

Answer: The passage of the Reform Act eliminated the need to have a simultaneous oil and gas leasing program. Therefore, I do not envision any effort to reinstate the lottery.

Senator Johnston

49. Question: Please provide for the record information on the following:

- Number of test sales conducted under the Reform Act.
- Acreage leased under the test sales by State.
- Revenues resulting from test sales by State.
- Range in bids for each test sale.
- Number of sales conducted under final rules promulgated pursuant to the Reform Act.
- Acreage leased under these sales by State.
- Revenues resulting from these sales by State.
- Range in bids for each such sale.

Answer: The Bureau of Land Management has supplied me with the following information in response to your question.

Test Sales

Eight test sales were conducted under the Act. The following table shows the results of the test sales.

State	Acreage Leased	High bid per acre	Bonus Bids Received	Rental	Total Revenue
AR	157,184	$ 49	$ 704,000	$ 235,776	$ 939,776
CO	115,355	190	1,178,000	173,033	1,351,033
MT	89,481	125	382,000	134,222	516,222
NM	85,465	1,375	3,189,000	128,198	3,317,198
UT	77,563	425	2,734,000	116,345	2,845,345
WY	608,399	575	14,854,000	912,599	15,766,299
	1,133,447		23,041,000	1,700,172	24,741,172

--Each state held one test sale with the exceptions of Montana and Wyoming, which held two sales each.

--To calculate total revenue for the test sales, $1.50 per acre first year rental must be added to the bonus bid amount.

--At each sale some leases were awarded at the minimum bid of $2 per acre. Thus, the range of bids was from the $2/acre minimum bid to the high bid per acre figure above.

Sales Under Final Rules

Twenty-five sales have been held under the final rules promulgated pursuant to the Reform Act. The results are as follows:

State	#Sales	Acreage Leased	Bonus Bids Received	Rental	Total Revenues
CA	1	17,400	$ 337,000	$ 26,100	$ 363,100
CO	2	150,200	1,329,000	225,300	1,554,300
Eastern States	4	244,000	18,770,000	366,000	19,136,000
MT	2	34,000	261,000	51,000	312,000
NV	2	354,000	2,585,000	531,000	3,116,000
NM	4	461,000	17,259,000	691,500	17,950,500
UT	2	154,000	1,409,000	231,000	1,640,000
WY	3	742,000	12,787,000	1,113,000	13,900,000
	20	2,156,600	54,737,000	3,234,900	57,971,900

--To calculate total revenue for the sales subject to the final regulations promulgated pursuant to the Reform Act, $1.50 per acre first year rental must be added to the bonus bid amount.

--The range of bids information is not readily available for routine sales held under the final rules. The BLM determined this data was needed during the test sale phase to assist in establishing final rules, but that it was unneeded, in summary form, for the program. This data can be found in BLM field offices and will be provided upon further request.

Senator Johnston

50. Question: Since the Reform Act became public law, of acreage leased, what percentage has been leased competitively and what percentage has been leased noncompetitively?

How does this compare to the 3 years prior to enactment of the Reform Act?

Answer: I have been advised that for FY 1988 17 per cent of the acreage leased was done so competitively. This compares with competitive acreage leases as a percent of noncompetitive leasing of 2.9% in 1985, 4.2% in 1986, and 2.7% in 1987.

Senator Johnston

51. Question: The Department recently announced its decision to reduce to not greater than $1 per acre the rental rate for most oil and gas leases issued prior to the passage of the Federal Onshore Oil and Gas Leasing Reform Act of 1987.

How many leases will this affect?

What is the revenue impact of this decision?

Answer: I have been informed that this initiative will affect approximately 35,000 leases. The Department estimates that annual Federal revenues will be reduced by about $35 million.

Senator Johnston

52. Question: The Department sent its comments to OMB on the Forest Service's proposed oil and gas regulations. The comments discuss the right to develop a lease once it is issued, and states the Department's opinion that the authority of the Federal Government to deny operations is limited.

As detailed environmental review currently does not take place until the drilling stage, given the Department's view, what can be done to prevent oil and gas development of leases in situations where the impact on the environment is unacceptable?

What rights do you think are conveyed in a lease?

On what legal authority does the Department base its position?

In the Department's view, in what way is the Federal Government's authority to deny operations limited?

Answer: I am told that the BLM's long standing policy has been not to defer analysis of environmental effects until the Application for Permit to Drill (APD). This approach is formalized in BLM Supplemental Program Guidance (SPG). BLM field offices gather needed information and conduct the "reasonably anticipated levels of development" scenario analyses as part of the land use planning process and again review these analyses as part of specific lease issuance actions.

The lessee obtains "... the exclusive right to drill for, mine, extract, remove and dispose of all of the oil and gas (except helium) in the lands described ... together with the right to build and maintain necessary improvements thereupon for the (lease) term ... subject to renewal or extension .... applicable laws, the terms, conditions and attached stipulations ... the Secretary('s) ... regulations and formal orders in effect as of lease issuance, and to regulations and formal orders thereafter promulgated when not inconsistent with the lease rights granted or specific provisions of the lease."

This gives the lessee the right to develop the resource subject to terms, conditions and stipulations in the lease, regulations and orders in effect (and in the future if consistent) and laws and use of as much of the surface as is reasonably needed for extraction. If a constraint is not in the lease, it cannot be imposed later unless there is an overriding legal provision. Both parties to the lease must comply with the lease terms. This grant and qualifications on the grant, are based on the authority granted to the Secretary by 30 U.S.C. 187,189,225, and 226 as well as other laws applicable to federal activity.

DOI believes that Congress expected DOI to condition leases where a specific condition was known to exist but did not intend that all leases would be generally conditioned in such a way that the right to develop would be subject to reversal without specific reasons tied to specific conditions. In other words, the leasing program as authorized by Congress does not envision a granting of rights that is always provisional because of the possibly of unknown events.

Senator Johnston

53. Question: Do you share my belief that OCS leasing is an important component in achieving our energy independence?

If so, what steps do you plan to take to enhance that program?

Answer: I do indeed share your belief that the OCS leasing program is an important element in our effort to reduce America's dependence on insecure foreign sources of energy.

As I said in my statement of January 26, 1989, President Bush and I "believe that development of our most promising domestic resources is called for, because continued development is essential to the national security and economic well-being of the United States."

In implementing the OCS program, I will be mindful that the OCS Lands Act Amendments of 1978 specifies among its purposes ". . . expedited exploration of the Outer Continental Shelf in order to achieve national economic and energy policy goals, assure national security, reduce dependence on foreign sources, and maintain a favorable balance of payments in world trade . . ." [Section 102].

Production from OCS lands currently provides about one-quarter of our domestic production of natural gas and one-eighth of our domestic oil production. This production not only represents a secure source of energy but also helps reduce our balance of trade deficit. Oil imports accounted for more than a quarter of our trade deficit in 1988, and production from the OCS can help reduce that kind of outlay.

At the same time, however, I will oppose development in those environmentally sensitive areas where the risk of damage is great. In areas appropriate for leasing, I will be guided by the OCS Lands Act's mandate to proceed with resource development in an environmentally sound manner.

I look forward to working with the States and Congress to identify any measures which may be taken to enhance the contribution which this important program can make to the Nation in the coming years.

Senator Johnston

54. **Question: Many members of Congress have been highly critical of, and disappointed in, the Department's implementation and administration of the Surface Mining Act. What steps do you plan to take to improve administration and enforcement of the Surface Mining Act?**

Answer: I believe that the continued development of a State-Federal partnership is the key to the improved administration and enforcement of the Surface Mining Act. I intend to review the implementation of the Act by OSMRE, listen to the concerns of those affected, and subsequently decide on specific steps that can be taken to achieve consistency and stability in the program.

Senator Johnston

55. **Question: What do you see as the three most important changes to be made at the Office of Surface Mining?**

Answer: It would be premature to recommend any specific changes at this time. However, I intend to emphasize three major areas:

1. Responsible leadership
2. Responsible management
3. Environmental partnership

In the area of responsible leadership OSM must take the lead in advocating effective environmental standards in mining and reclamation. For the future, OSM must ensure that its resources, as well as those of the States and other constituents, are allocated to resolve remaining problems as well as to improve on past successes in an efficient and effective manner.

In the area of responsible management, I will work to strengthen the management of administrative functions within the agency and provide for a more stable environment in which to perform our mandated tasks. Our human resources must be dealt with equitably and professionally and offered every opportunity for professional growth.

Finally, OSM must continue to develop the partnership with the States in carrying out the intent of Congress and join with the States in a united effort in order to marshall all available resources to attack problems when and where they occur.

Senator Johnston

56. **Question: On December 27, 1988, the Department published a controversial proposed rule defining "valid existing rights"(VER). Under the Surface Mining Control and Reclamation Act, coal mining is prohibited in certain areas such as in National Parks and Wildlife Refuges and in buffer zones around roads, cemeteries, and certain buildings, subject to valid existing rights. Critics noted that if one of the Department's proposed definitions is adopted, widespread mining will occur in these protected areas. What public lands will be most affected? Please provide a listing of all Federal lands that you expect will be affected if you adopt the "ownership and authority" rule for VER. Why is a general takings standard not one of the options being considered in the rule?**

Answer: As I indicated in my testimony to the Committee, if confirmed, I do not intend to allow coal mining within units of the National Park System.

Regarding the listing of all Federal lands expected to be affected if the "ownership and authority" option for valid existing rights (VER) is adopted, I am providing the Committee with copies of the Department's draft environmental impact statement (EIS) and preliminary regulatory impact analysis (RIA) that contain the information you requested. At this time, the information and analysis set forth in these documents are subject to public comment and will be re-examined prior to preparation of final documents.

I intend to consider whether additional options to define VER, such as a general takings standard, should be included. Clearly this is a difficult issue where ensuring the protection of these areas, while recognizing valid existing rights, must be carefully weighed.

Senator Johnston

57. **Question: The Office of Surface Mining has been under court order to implement an Applicant Violator System (AVS) to be used to track violators of the Surface Mining Act so that they will be denied additional surface mining permits. What is the status of the AVS currently? I understand that there have been serious problems with the reliability of the data being put into the system. Is this true? If so, what is being done to remedy this problem?**

Answer: I am informed that the Applicant Violator System has been operational since October 1, 1987. The system is linked to all primacy states and is being used as the primary vehicle for determining if mining permits should be issued or blocked based on information contained in the system.

It is my understanding that the original data entered in the system was outdated and contained many errors and omissions. Due to the time constraints imposed by the Court order, time was not. available to significantly improve the data prior to the system becoming operational.

I have been informed that the original data in the system has been significantly improved over the last 15 months and a data improvement plan is being pursued. The goal is to achieve 95% accuracy in the data.

To compensate for the data problems, OSMRE is reviewing all systems findings to ensure that violating entities do not receive permits inappropriately nor a deserving applicant denied a permit unjustly. The combination of automated and manual efforts should produce appropriate results.

Senator Johnston

58. **Question: At one point the National Wildlife Federation estimated uncollected AML fees to be $32 million. What is the current status of AML fee collections? Is OSMRE keeping up in collecting currently-accruing fees? How much is currently outstanding in uncollected AML fees? What amount, if any, in uncollected AML fees has been written off by OSMRE?**

Answer: I have been informed that OSMRE collected $2.3 billion in AML fees through FY 88. During FY 88, $228.6 million in fees were reported and $226.8 million in fees were collected, leaving a balance due of $1.8 million. This is a collection rate of 99.2%.

I have further been informed that for the period October 1, 1977, through December 15, 1988, $49.5 million in AML fees remain delinquent, involving:

a) Principal fees - $25.7 million;
b) Accrued interest - $20 million;
c) Civil and administrative costs - $3.8 million.

Of the $49.5 million in delinquent fees, $17.6 million are owed by companies in bankruptcy, and $25.4 million has been referred to collection agencies. The remaining $6.5 million is currently being processed within the OSMRE Division of Debt Management and the Solicitor's Office for collection action.

Senator Johnston

59. **Question: What amount in uncollected civil penalties is currently outstanding? What amount, if any, of uncollected civil penalties has been written off by OSMRE? Is OSMRE keeping up in collecting currently-accruing civil penalties?**

Answer: I have been informed that from the program's inception through FY 1988, OSMRE has assessed $188 million in civil penalties. The status regarding these assessments is:

- $137 million has been reclassified as uncollectible. These amounts have been subject to extensive review, and there appears no avenue for collections. This reclassification was done in accordance with criteria under the Debt Collection Act.
- $11 million has been collected.
- $6 million has been eliminated by the Solicitor as part of negotiated settlements.
- The remaining uncollected balance as of the end of FY 1988 is $34 million; of this amount:

  $27 million has been referred to the Solicitor for collection action.

  $2 million is being reviewed to determine the debtor's ability to pay.

  $1 million is in bankruptcy.

  $4 million is in various stages for collection or reclassification action.

Cases determined to be uncollectible will be reclassified, but will remain on the Applicant Violator System (AVS) so that the responsible party will be denied future permits to mine coal.

OSMRE is current on collecting that portion of recently assessed civil penalty debt which is attributable to active sites.

Senator Johnston

. 60. Question: As you know, the Mining Law of 1872 allows us citizens to locate claims to valuable mineral deposits such as gold, silver, platinum and titanium that are found on federal lands. After a deposit has been discovered, the land can be obtained from the federal government upon payment of $2.50 to $5.00 per acre. This law has not been appreciably amended since 1872.

Given these times of budget austerity, do you feel the American people should be receiving fair market value for these minerals rather than the $2.50 to $5.00 per acre under the current law?

If so, how would you propose to obtain fair market value?

In your view, in what other ways should the century old-law be updated?

Answer: I recognize that the Congress may choose to review the Mining Law of 1872 to address some of these concerns and, if confirmed, I will stand ready to work with the Congress during any such review.

Prior to any change of the Mining Law of 1872 one should be cognizant of the historical reasons for its passage. This is particularly important in this case since this law has guided mineral development on the public lands at little cost to the taxpayer. Because of this law the government does not have to assess the mineral content of all lands, does not have to determine how any and all interested parties may acquire access to the lands, and does not have to assume any of the financial risks associated with the success or failure of mineral ventures. Locatable mineral development has successfully occurred for 116 years without a huge government bureaucracy and a correspondingly huge budget.

I am aware that there is considerable concern over whether the Mining Law of 1872 is still appropriate. I am open to consideration of new means of doing business on the public lands. This is one area that I intend tc review.

Senator Johnston

61. Question: GAO issued a report in April 1988 projecting that approximately 424,000 acres of federal land are currently unreclaimed as a result of hardrock mining. What should be done to assure that these sites are reclaimed and that new problems are prevented?

Answer: If confirmed as Secretary of the Interior, I will review the procedures currently in use for reclaiming Federal lands adversely affected by hardrock mining and will identify methods that can be employed to resolve this issue.

Mineral development under the Mining Law of 1872 will not be at the expense of the environment. The many environmental laws passed in the past 25 years at both the federal and state levels have totally modified the regulatory structure of the Mining Law. I suggest that a careful review of the existing regulatory scheme is also in order.

Senator Johnston

62. Question: The Department has recently issued final rules for hardrock mineral development in the Exclusive Economic Zone.

What is the Department's anticipated lease sale Schedule?

What level of revenue does the Department anticipate from this program?

What role do the states play in the development of ocean mining?

What is the current level of industry interest?

Answer: I am informed that the only offshore hard minerals sale the Department has planned is for early 1990. It is for minerals, primarily gold placers, in the OCS adjacent to current mining operations in State waters of Alaska's Norton Sound. I am told that the Minerals Management Service is also in a presale process relating to cobalt crust development in the area of Hawaii. A final environmental impact statement should be published shortly, but further action beyond that is going to depend on industry interest.

In the near term, the only significant revenue expected would be from existing sulphur lease royalties in the Gulf of Mexico and any bonus from the upcoming Norton Sound sale. While no specific revenue estimates have been developed, anticipated revenues from this program would not appear substantial in the near future.

In both of the above areas, as well as in others, I am pleased to see the Department working very closely with the States, local communities, and native interests, through joint task forces to make sure that concerns get surfaced and resolved in a timely way.

I am told that several companies have indicated interest in the upcoming Norton Sound sale. However, preliminary interest in cobalt appears fairly low or at least uncertain.

I understand that the purpose of issuing the rules in December was to provide more specific guidance and certainty for hard minerals leasing and operating activities than was previously afforded under regulations which dealt primarily with oil and gas development.

Senator Johnston

63. Question: Despite some improvement in the Department's royalty management program, recent Inspector General reports have detailed continuing problems with accurate and timely collections, disbursements, and processing of data. I have requested that OTA study possible improvements to the collection system.

Do you see a need for any changes in how the royalty management program is currently operating?

What level of undercollections do you think is permissible?

Depending on the results of the OTA report, would you be willing to implement any changes recommended by the study?

Answer: I am aware of the concerns which have been expressed about the Department's performance in its royalty collection and disbursement functions. I intend to see that everything possible is done to assure that all royalties and other revenues are fully collected. Undercollections will not be permissible. I am aware of the importance of these revenues to States, Indians, the Federal treasury, and other recipients. I will always be open to suggestions for solutions to problems the Department faces, and look forward to seeing the report you have requested from OTA.

Senator Johnston

64. The Bureau of Mines has undergone reorganization and a certain reorientation in the past few years.

Question: What role do you see the Bureau playing within the Department of the Interior?

Answer: A major objective of the Bureau's recent reorganization was to improve program coordination and integration by establishing clearer lines of authority and accountability. These changes allow the Bureau to channel its unique research and analytical talents toward several current and emerging problems significantly affecting the health and global competitiveness of the domestic mining and minerals industry, and of major interest to the Department. Emphases on environmental matters, regulatory policy analysis, strategic and critical materials, and conservation of the Nation's resources, directly support Departmental concerns in these areas.

Senator Johnston

65. The mineral industry has struggled for years to compete in global markets where competition is not always conducted by the same fair trade rules by which U.S. companies must abide.

Question: What, in your view, should be done to insure a level playing field for American industry?

Answer: Domestically, we must continue to foster our development, processing and production capabilities, and translate our scientific successes into commercial success through efficient technology transfer and an economy which encourages production. We must continue to work to eliminate excessive regulatory burdens while maintaining a clean environment. We must focus on opening foreign markets to U.S. exporters, utilizing market discussions with our trading partners. Also, we must carefully review loans by multinational organizations to ensure that they will not create an unfair or unnatural market by producing a surplus of materials which would penalize U.S. industries.

Senator Johnston

66. The Department has an important role in strategic and critical materials policy, and Secretary Hodel was chairman of the Critical Materials Council. This Council has the responsibility for coordinating federal policy between over 20 federal entities with responsibility for critical materials, whether traditional, advanced, or superconductivity. A comprehensive, coordinated federal policy is integral to maintaining U.S. technological superiority in these areas. However, the Reagan Administration has proposed abolishing the Council.

Question: Do you support abolishing the Council?

Answer: As the Ranking Minority Member of the House Committee on Science, Space and Technology, I have maintained a deep and abiding interest in the status of the Nation's supply of critical materials.

While the National Critical Materials Council is established by statute as a function of the Executive Office of the President and not of the Department of the Interior, substantive critical materials issues are also under the purview of the Secretary of the Interior. While the U.S. mineral industry is large and multifaceted, the United States relies on varying degrees of mineral imports for the production of many commodities including materials having traditional, advanced and superconductive applications. If confirmed, I can assure you that I will seek to enhance the capacity of the domestic minerals industry to provide the critical materials necessary for technological superiority.

Question: If the Council is abolished, what should be done to ensure that the U.S. has a comprehensive critical materials policy?

Answer: I will continue to be an advocate for improvement in the condition of the Nation's supply of critical materials as Secretary of the Interior, utilizing whatever mechanisms are considered most appropriate by the President.

Senator Bumpers

1. Question: APPOINTMENTS The appointments you make to head the various Interior agencies - BLM, NPS, FWS, etc. - and to be Assistant Secretaries will be critical to the Department's successful operation and should be of the highest quality. In addition to high standards of personal integrity, and freedom from conflicts of interests, the ideal appointees should have an established reputation in the field of natural resources management, successful experience in the administration of complex organization, the ability to work with a diverse constituency and to deal with complex natural resource issues. Will you make a commitment to this Committee to select candidates who meet these criteria?

Answer: I will work with the President to appoint people who can manage the Department in a professional manner, keeping in mind the criteria which you have mentioned. In addition, as I testified at the January 26 hearing: "My own appointments will reflect a diversity of ethnic backgrounds and an increase in women and minority managers as an example to the senior managers of the Department of what I expect of them."

Senator Bumpers

2. Question: MANASSAS. Members of this committee were especially concerned last year about plans to construct a major shopping mall and office complex on part of the Manassas battlefield. Faced with this threat, we acted to preserve the battlefield by enlarging the Manassas National Battlefield Park. At that time, Congress explicitly directed that funding for Manassas was to come from accounts within the Department of Justice and would be in addition to and not in lieu of other parkland acquisition.

Given this, do you intend to pursue the Reagan budget proposal to rescind $65 million of Land and Water Conservation funds for land acquisition in parks and refuges as an "offset" to the expected cost of the Manassas purchase?

Second, please provide the committee with your plans and timetable for incorporating the addition to the battlefield into the interpretation and public use of the park.

Answer: It is my understanding that the rescission was proposed in an effort to keep faith with the terms of the Bipartisan Budget Agreement.

On the matter of the timetable for incorporating the battlefield addition, the National Park Service has already begun work on this issue. A scoping meeting was held on January 18, 1989, to begin to garner ideas from the public. This begins a planning process for the William Center tract that should be completed by the summer of 1990. It will identify how the tract will be interpreted and used.

Senator Bumpers

3. Question: MINING IN PARKS: On December 27, 1988, the Department of the Interior published a proposed rule that would reinterpret Section 522 of the Surface Mining Control and Reclamation Act and allow strip mining activities and surface damage from deep mining within units of the National Park System, National Forests and National Wildlife Refuges and near or under homes and cemeteries. Will you commit to withdrawing this proposal and revising it to be consistent with Congressional intent that these areas be protected?

Answer: As I indicated in my testimony to the committee, if confirmed, I will not permit mining in the National Parks.

Regarding the listing of all Federal lands expected to be affected if the "ownership and authority" option for valid existing rights (VER) is adopted, I am providing the Committee with copies of the Department's draft environmental impact statement (EIS) and preliminary regulatory impact analysis (RIA). At this time, the information and analysis set forth in these documents are subject to public comment and will be re-examined prior to preparation of final documents.

I intend to consider whether additional options to define VER, such as a general takings standard, should be included. Clearly this is a difficult issue where ensuring the protection of these areas and recognizing valid existing rights must be carefully weighed.

Senator Dale Bumpers

4. Question: The Federal Onshore Oil and Gas Leasing Reform Act of 1987 mandates an annual report to Congress containing data and information on the onshore leasing program. When can we expect the first report? In addition to specific data requirement enumerated in the statute, the report is to include data and information that will facilitate a comparison of the revised system with the prior leasing system. I'd like to suggest one additional item that would be of interest to me and other members of the committee because it was a concern during the debate on this bill -- that is a comparison of the number of leases issued to independent oil and gas companies versus majors under this data, either in the report or separately?"

Answer: I understand that because the Federal Onshore Oil and Gas Leasing Reform Act of 1987 mandated an annual report to Congress, the Department has been gathering data on the oil and gas lease sales held during this past year under the revised system. The data have been collected in such a manner so as to facilitate a comparison with lease sales held under the prior leasing system. A detailed report will be made available to Congress by approximately April 1, 1989.

Concerning the comparison of the number of leases issued to independent oil and gas companies versus the majors under the old and new systems, I understand that no such comparison has been made to date. However, in light of your concern, every effort will be made to analyze whatever information is available and provide that in the final report.

Senator Dale Bumpers

5. Question: On January 19, 1989, Secretary Hodel used his discretionary authority to lower rental rates on all onshore oil and gas leases issued before the Reform Act to $1.00/acre. The Reform Act sets a minimum rate of $1.50 acre. Do you intend to review this decision? What is the impact of this decision on Federal and State receipts in FY 89 and 90?

Secretary Hodel's rationale for the reduction was that it would free up industry capital and induce more exploration. Will you provide the Committee with the economic data developed by the Department to support this rationale?

Answer: I have included for the committee review a table, which the Department provided to me, outlining the projected annual revenue loss for the next 3 years. The table shows the loss in Federal revenues to be approximately $35.4 million with the state share being some $17.4 million.

As we all know, our nation's oil and gas industry, especially our independent oil and gas section, has been under severe economic stress for several years. All well-publicized economic indicators, including well shut-ins, exploration activities, rig count, new wells, bankruptcies, price of crude oil and all prevailing economic forecasts, indicate that this action will help the industry.

If confirmed as Secretary of the Interior, I will review this decision in the future and if it should be determined that the reduction is no longer appropriate, I would take steps to reinstate the old rates.

Projected Revenue Losses
(Annually - 3-Year Period)
Onshore Oil and Gas Lease Rental Rate Reduction 1/19/89

State	Total Acres Leased	Total Acres Affected	Total Revenues Lost	State Share (50%)	State Revenue Foregone*	Real Revenue Loss to States
AZ	844,564	98,137	$98,137	$49,069	$29,106	$19,963
CA	1,085,225	363,276	$363,276	$181,638	$37,291	$144,347
CO	8,445,755	3,390,063	$3,390,063	$1,695,032	$548,963	$1,146,069
ESO	3,351,234	2,245,582	$2,245,582	$1,122,791	$32,342	$1,090,449
ID	909,598	128,740	$128,740	$64,370	$38,622	$25,748
MT	9,060,138	4,565,980	$4,565,980	$2,282,990	$723,648	$1,559,342
NM	10,467,865	5,732,636	$5,732,636	$2,866,318	$318,624	$2,547,694
NV	7,457,208	1,210,612	$1,210,612	$605,306	$362,967	$242,339
OR	1,556,297	99,670	$99,670	$49,835	$29,901	$19,934
UT	7,204,051	6,296,189	$6,296,189	$3,148,095	$805,170	$2,342,925
WY	19,116,927	11,346,341	$11,346,341	$5,673,171	$1,203,081	$4,470,090
Total:	69,498,862	35,477,227	$35,477,227	$17,738,614	$4,129,715	$13,608,900

* Revenues that would be foregone to the States anyway, assuming continuation of the suspension of rental increases on the second five years of SOG leases issued between 1982 and 1986.

Senator Bumpers

6. Question: Previous Secretaries of the Interior Stewart Udall and Cecil Andrus considered Reform of the 1872 Mining Law to be a top priority for the Department. More recent Secretaries have opposed any changes in the Mining Law. What are your views on Mining Law Reform?

Answer: I recognize the desires of Congress and the public to be increasingly assured that our resources are being managed prudently and in the best interests of all. Therefore, it is appropriate that there be regular oversight of all our programs. If confirmed as Secretary of the Interior, I stand ready to work with Congress if it chooses to review the working of the Mining Law of 1872, as amended, in today's environment.

Senator Ford

1. **Question: Wildcat mining, or mining coal without a permit under the Surface Mining Control and Reclamation Act, has been a serious problem in some parts of the country. An amendment to the Surface Mining Act has been proposed which would make the willful mining, transporting, and sale of coal without a permit a felony under federal law. What are your thoughts about such an amendment?**

   Answer: I am informed that illegal or wildcat mining operations have been and continue to be a persistent problem in certain coal producing areas. Severe environmental problems result from illegal mining. I intend to review the legal remedies presently available to deal with this problem and if they are inadequate I will work with the Congress to provide the necessary additional enforcement tools.

Senator Ford

2. Question: It has also been suggested that those who purchase illegally-mined coal should be guilty of criminal acts as well, whether or not they were aware that it was mined without a permit. Would you support this inclusion?

Answer: I am informed that there would be legal problems associated with imposing criminal penalties on the purchase of illegally mined coal irrespective of the purchaser's knowledge that the coal was illegally mined. Whether the knowing purchase of illegally mined coal should be subject to criminal penalties is an issue to be reviewed. There may be other options which should be considered to eliminate the incentives associated with operations that mine coal without a permit.

Senator Ford

3. Question: Another surface mining issue before this Committee is an amendment to encourage remining of previously-mined lands which were not reclaimed when originally mined. The end result is reclamation of the abandoned and unreclaimed areas. Would you support legislation which would provide regulatory incentives that recognize the problems associated with reclaiming previously-mined lands to current reclamation standards?

Answer: Any initiative that would provide a means of reclaiming abandoned sites while saving federal funds would certainly have my attention. I would therefore, carefully consider any legislative proposal that provides regulatory and or practical incentives to encourage active operators to mine and reclaim abandoned sites.

Senator Metzenbaum

1. Question: The Office of Surface Mining (OSM) has been the subject of many GAO and Congressional investigations regarding its constant failure to carry out mandatory oversight and enforcement duties under the law. Most of these investigations concluded that OSM has been badly mismanaged and has brought unnecessary controversy and conflict to the surface mining program. In the past, we were told by former Interior Secretaries Clark and Hodel that necessary changes would be made to stabilize OSM and that it would correct its enforcement problems. Over the years, little seems to have changed while documented OSM problems are mounting. What will you do to set this agency back on sound management footing so it can meet its enforcement responsibilities?

   Answer: I believe that the continued development of a State/Federal partnership is the key to the improved administration and enforcement of the Surface Mining Act. I intend to review the implementation of the Act by OSMRE, listen to the concerns of those affected, and subsequently decide on specific steps that can be taken to achieve consistency and stability in the program.

Senator Metzenbaum

2. Question: In 1981, the OSM undertook a "reorganization" that reportedly resulted in approximately 50 percent of the agency's experienced personnel leaving OSM. Critics contended that this left the agency inexperienced, understaffed, and demoralized. I understand that the agency is now implementing a "tenure and mobility" policy under which top-level managers will be transferred after three to five years. Some say this is intended to target for transfer only a few managers with tough enforcement records, that the policy will lend instability to the program, and that it is again demoralizing agency personnel. Please explain the new tenure and mobility policy, and explain why it is being implemented.

Answer: It is my understanding that the primary reason for having a tenure and mobility policy is to strengthen the managerial capacity of the OSMRE senior management cadre through a wide diversity of experience gained through a variety of management assignments. This policy is being formulated to advise all OSMRE employees what is expected in terms of tenure in a given position and potential mobility for new assignments.

The policy is presently under review by senior managers in OSMRE. No final policy will be put in place until the review has been completed and comments considered.

Senator Metzenbaum

3. Question: There have been serious allegations and charges from OSM rank and file employees that the present OSM leadership has been embroiled in improper, if not illegal, personnel hiring activities. The main charges seem to focus on efforts by the present Acting Director, Robert Gentile, to remove career professional OSM officials and replace them with unqualified coal industry representatives. These allegations which have been extensively reported in the press have resulted in at least two investigations currently underway by the Department's Inspector General and by the House Subcommittee on Civil Service. In light of these charges, and with respect to OSM's continuing problems, do you agree that a new management team should be installed at OSM? Do you agree that management officials should have environmental enforcement experience, so that the intent of our nation's mining laws will be implemented?

Answer: I understand that the Department's Inspector General and the House Subcommittee on Civil Service are investigating certain anonymous allegations. I have been told that to date no finding of impropriety has been made. However, should a problem be identified, appropriate action will be taken. I share President Bush's desire to ensure the highest standards are used in the conduct of the Federal Government's operations.

President Bush and I are committed to protecting and enhancing the Nation's natural resources as well as proceeding with their environmentally sound development. We believe that development of our most promising domestic resources of which coal is one, is called for, because continued development is essential to the national security and well being of the United States. In that light I will endeavor to put managerial teams in place that will meet that commitment.

Senator Metzenbaum

4. Question: In a hearing before this Committee on March of 1986, Jed Christensen, former Director of OSM, estimated that over $125 million in unpaid civil penalties assessed for violations of the Surface Mining Act might be uncollectible. Did these fees in fact prove to be uncollectible? How did this happen? What efforts were made to collect these fees?

Answer: I am informed that through FY 88, $137 million in penalties have been reclassified as uncollectible. OSMRE estimates that over 90% of the remaining historical receivables are uncollectible. Once OSMRE began its initiatives to process the backlogged delinquent debt, much of the debt was found to be uncollectible because companies were bankrupt or out of business and the principals were without assets to pay.

I understand OSMRE has made extensive efforts to collect these civil penalties by notifying identified debtors through demand letters as provided by the Debt Collection Act. OSMRE, through contracted efforts, obtained a net worth determination on business entities and key officials responsible for the civil penalties. These results were reviewed by the Solicitor's Office and, where assets were available, legal action was taken to compel payment. I am told that, as an added measure, delinquent civil penalties have been placed on the Applicant Violator System (AVS). This has resulted in additional collections.

Senator Metzenbaum

5. Question: One of the greatest challenges to the mining regulatory program are the problems related to the increased use of longwall mining and other high-extraction underground mining technologies. Longwalling is an extremely efficient and much safer underground mining method than traditional techniques and naturally makes the coal industry much more competitive. Unfortunately, over the last several years I have heard from an increasing number of coalfield citizens, who live over these longwall operations, and have had their homes destroyed, their sole groundwater sources disappear, their irrigation ponds vanish, and their agricultural field drainage patterns changed as a result of the surface subsidence caused by longwalling. OSM and the States claim they are powerless under the present regulatory program to offer any protection or compensation to these people. It seems to me that regulations should be developed which would allow longwalling to continue while still offering the public and the environment some basic protections. I believe that such regulations would not be inconsistent with current Federal law. Will you commit your Department to elevating this problem to the high level it deserves, and begin developing policy aimed at protecting the public and the environment?

Answer: As a former Member of Congress who was involved in the development of the SMCRA, I understand the complexity and difficulty caused by the competing property interest of surface land owners versus the owners of mineral estates. The Department has developed regulations addressing the issues you have raised. I am informed that these regulations have been challenged by both the coal industry, as infringing on their property interests, and the environmental community, as providing inadequate protection for surface property. While some of these challenges have been resolved in the courts, others have not.

Given the implications of longwall technology, it is important that we address the ramifications of its use.

Senator Metzenbaum

6. Question: The Geothermal Steam Act Amendments of 1988, passed into law last Congress, provides for protection of significant thermal features within units of the Park System. The Act incorporates the review process from P.L. 99-500 for geothermal lease applications to insure against adverse impacts on park features. How many lease applications have been reviewed, and with what results? What is the status of the study of the Corwin Springs area, north of Yellowstone National Park, that is required by the Act? Are there any other areas of Yellowstone that are threatened by private development outside the Park? What is the status of the regulations under the Act? How many lessees have applied for, and been granted, lease extensions pursuant to the Act?

Answer: Approximately 210 noncompetitive lease applications and competitive parcels have been subject to such determinations. The department has not found that development of any of these parcels would cause either an adverse or significant effect to any thermal feature within the National Park System.

I am informed that in October 1988, the USGS began a 2-year study to determine the potential impacts of geothermal development in the Corwin Springs KGRA on thermal features of Yellowstone National Park. The study is focusing on potential interconnection between Mammoth Hot Springs (in the Park) and La Duke Hot Spring (in the Yellowstone Valley north of the Park). The results must be transmitted to Congress by December 1, 1990.

There are no geothermal leases within at least 40 miles of Yellowstone Park.

Rules to implement the Geothermal Steam Act Amendments are scheduled for publication during the Spring, 1989.

Eight lessees have applied for extensions under the Steam Act Amendments.

Senator Metzenbaum

7. Question: The Reclamation Reform Act of 1982 was intended to limit federally subsidized water to farms of 960 acres or less. The previous Administration issued regulations filled with loopholes, allowing large corporate farmers to evade the acreage limitation. These regulations not only divert scarce water away from small family farms and municipal water supplies, but they also subsidize wealthy corporations at the expense of the American taxpayers. Are you committed to enforcing the intent of the law, and will you demand that the regulations be rewritten so that legal loopholes cannot be used by large farm entities to obtain unwarranted subsidies?

Answer: While in Congress, I supported the passage of the Reclamation Reform Act. I understand rules have recently been completed to implement the Reclamation Reform Act Amendment of 1987. However, I have not had the opportunity to address the issues. If there are any "loopholes" contained in the regulations, you can be assured we will address them.

Senator Metzenbaum

8. Question: Numerous recent studies show that the current grazing fee formula deprives the public of fair market value for forage from BLM lands. This formula has deprived the public of hundreds of millions of dollars in revenue during its operation, and doesn't even cover the administrative costs of administering the grazing program. Do you believe that the Bureau of Land Management should receive fair market value for resources derived from the public lands, as required in Section 102 (a)(9) of the Federal Land Policy and Management Act? Will you review the BLM's grazing fee policy and recommend that fees be adjusted to at least cover the yearly $20-$30 million shortfall in revenue? If not, please explain.

Answer: The grazing fee formula was originally established by the Congress in the Public Rangelands Improvement Act of 1978 and it was subsequently reaffirmed by Executive Order 12456 of February 14, 1986, with a minimum fee of $1.35 per animal unit month.

The Federal Land Policy and Management Act specifically directs that the grazing fee be "equitable to the United States and to holders of grazing permits and leases."

The grazing fee formula produces a grazing fee that is equitable to the United States and the persons who must pay it. The formula makes adjustments for changes in the economic health of the dependent livestock industry. When times are good and prices are up, the fee rises and when the industry is economically depressed, the fee drops. This is evidenced by the fact that the fee increased [illegible]% this year. I see no need at this time to review the grazing fee policy.

Senator Metzenbaum

9. Question: A great deal of our public lands are protected from commercial activity. The last administration, however, terminated protective withdrawals on 180 million acres of land, with little or no review of the potential environmental impacts. In other words, millions of acres of land--which were previously determined worthy of protection--have been opened to mining, drilling, farming, and outright sale. As you may know, the Interior Department's land withdrawal review program was challenged by the National Wildlife Federation. Do you intend to reinstate the land withdrawal review program under the same policies and procedures which have been challenged? Will you go back and conduct new reviews of the 180 million acres already slated for withdrawal? What about the remaining 50 million acres slated for review between now and 1991? Will the Department issue regulations to govern its review of withdrawals and classifications? If not, please explain. If so, when are they expected?

Answer: I am informed that 270 million acres of land were subject to the Federal Land Policy Management Act (FLPMA) and that, of the 180 million acres you mention, 160 million acres were land classifications which were not subject to the withdrawal review provisions of Section 204(1) of FLPMA. The remaining 20 million acres were land withdrawals which were revoked under Section 204(a) of FLPMA as ordinary course of business actions. None of the 180 million acres was slated for withdrawal review under Section 204(1) of FLPMA.

The remaining acreage of withdrawals to be reviewed under Section 204(1) between now and 1991 is approximately 15 million acres.

The National Wildlife Federation (NWF) lawsuit is presently before the U.S. Court of Appeals. Although I agree with your concerns, it would be premature of me, at this time, to make any major changes in procedures and policy prior to the outcome of the appeal.

In conclusion, let me assure you that if confirmed as Secretary of the Interior, I will review this entire series of terminations in detail to determine if any improper actions took place. Our land is a precious commodity and every effort must be made to see to it that it is administered wisely.

Senator Metzenbaum

10. Question: Last year, President Reagan signed legislation which I introduced, along with Senator Bingaman, Senator Johnston, and other members of this committee. The National Trails System Improvements Act returns federally granted railroad right-of-way to Federal ownership upon abandonment by the railroads, to be managed as public trails by the Department of the Interior, or qualified State and local entities. This concept was strongly endorsed by the President's Commission on Americans Outdoors, and by President Bush during his campaign. Do you support the creation of trails, or "greenways," as a means of providing greater recreational opportunities, particularly for residents of urban areas? What is the status of regulations to implement the Act?

Answer: I generally support the creation of trails and "greenways" as components of our national recreation system. It is my understanding that the National Park Service and the Bureau of Land Management are working on a plan to implement the National Trail System Improvement Act. Let me emphasize again the important role of State and local governments and the private sector in providing close-to-home recreation opportunities.

Senator Metzenbaum

11. Question: Mr. Lujan, there is a railroad abandonment here in the District of Columbia which is immediately adjacent to and actually bisects the C & O Canal National Historic Park. It is the so-called "Georgetown Branch" of the B & O Railroad, now part of CSX Corporation. The National Park Service supports acquisition of the property, but CSX wants, we are told, about $11-12 million, which is the amount of the Park Service's appraisal. The Park Service has only about half that available (from funds received from Metro for parklands acquired for subway construction). Montgomery County recently acquired its portion of the same line for a bicycle trail and for a possible light rail system. Do you support acquisition of the D.C. portion by the Park Service, and would you favor an appropriation to make up the difference required to purchase it?

Answer: I understand the National Park Service believes the D.C. portion of the Georgetown Branch would provide important recreation opportunities in the Washington Metropolitan Area and has sought to acquire the property by exchange. However, no agreement has been reached with CSX Corporation on the value of the right-of-way or on the lands to be exchanged. Certain real property interests in the custody of the National Park Service and located in Virginia are under consideration as suitable for exchange for the right-of-way. Should further negotiations result in a tentative agreement, the Department would submit a legislative proposal to Congress to authorize an interstate exchange. I support land exchange as the most appropriate means of acquiring the right-of-way.

Senator Metzenbaum

12. Question: While most of the recent national attention pertaining to archaeological resource looting and vandalism has focused on the southwestern United States, other areas of the country have important and valuable heritage resources. These prehistoric and historic sites are being damaged at a comparable rate to those in the Southwest. For example, in Ohio, looters and vandals have desecrated spectacular prehistoric sites at the Mound City National Monument and in the Cuyahoga Valley National Recreation Area. How do you plan to ensure that all Federal lands managed by Interior agencies are protected to the fullest extent possible, and that sites in all regions of the country are protected from looting and vandalism?

Answer: I expect to take a many-faceted approach, beginning with public information activities and building upon the Take Pride in America campaign to increase citizens' understanding and awareness that archeological resources are important to them and to the Nation. I will also improve our ability to enforce the law through specially targeted operations, training, information sharing, cooperation with prosecutors and judges, and interaction with other Federal Departments and State, Tribal, and local authorities. Many looters are violating Federal, State, Tribal, and local laws with a single looting action. The recent amendments to the Archaeological Resources Protection Act should make this job easier, and I expect to make full use of the new authority.

Senator Metzenbaum

13. Question: Urban parks and recreation areas are among the most widely visited units of our National Park System. For instance, the Cuyahoga Valley National Recreation Area between Cleveland and Akron provides essential recreational opportunities for millions of people living in urban areas. Will you see that urban parks receive more attention and concern during your tenure that they have received in the past? If so, how will you do that?

Answer: During my tenure as Secretary of the Interior, I will see that urban parks receive increased attention and concern. The urban parks of our National Park System received over 100 million visitors last year. These parks are easily accessible to great numbers of people. They bring the National Park experience, including great opportunities for recreation, learning, and inspiration to many in our nation's population who otherwise might never have one. I will work closely with the Park Service professionals to determine the best ways of improving the System's urban park areas.

Senator Bingaman

1. Question: During the campaign, President Bush stated that he supports a greater reliance on coal. How will this be reflected in the policies at the Department of the Interior?

   Answer: Imports of foreign oil now exceed 50 percent. This Nation needs to rely as much as possible on its own secure sources of energy supply. One such source is coal, which this country has in abundance. The Interior Department is charged with the management of a vast estate of coal, primarily in the West, much of which is inexpensive to mine, low in sulfur content, and developable in an environmentally sound manner. Federal coal leasing is managed in close consultation with the States.

   I will closely examine the Department's policies to see that Federal coal continues to play its major role in our energy security policy.

Senator Bingaman

2. Question: President Bush also said he would take steps to encourage coal exports. What specifically do you plan to do to encourage the export of coal?

   Answer: Little Federal coal is exported. The Department does have programs located within the Bureau of Mines and the U.S. Geological Survey that address mine safety and productivity, and coal quality, which tends to promote the competitive appeal of American coal in international markets. I intend to explore opportunities for cooperating with the Departments of Energy and Commerce to ensure America remains competitive in international markets.

Senator Inouye

1. Question: There has been much activity in the Pacific Basin over the recent years. This includes the establishment of the 200 mile Exclusive Economic Zone in the Pacific, the Palauan Compact of Free Association, the Authorization of the American Samoan National Park and the deteriorating condition of the gas and fuel tank farm in American Samoa.

I would like to have some indication as to the priority you will place on these specific issues and other concerns of the territories.

Answer: Final approval and implementation of the Compact of Free Association with the Republic of Palau is among the highest of priorities for the President and myself.

The National Park Service is preparing an activation plan for the American Samoan National Park. I am told we need to begin by negotiating the terms of a lease with the Samoans. I will see that this is done expeditiously.

Corrective actions to eliminate the dangers of the fuel tank farm in American Samoa is a top priority and I will work with the Assistant Secretary - Territorial and International Affairs and the Governor of American Samoa to comply with the direction provided by Congress in the FY 1989 Appropriation Act for the Department.

I am sensitive to the fact that implementation of the 200-mile Exclusive Economic Zone in the Pacific must consider the unique and special interests of the insular areas.

As one who has more than a passing knowledge of territorial issues, and the importance of the insular areas to the United States, I place a very high priority on the concerns of the territories.

Senator Inouye

2) Question: Congress reauthorized the Endangered Species Act in the last legislative session. It included higher authorization levels than requested by the Reagan Administration. Hawaii is home to more than 25 percent of this country's endangered and threatened species.

What will be your recommendation for funding of this vital program?

Answer: Although I have not yet been able to delve deeply into the budget and the specific issue of funding for endangered species, I recognize that their protection and recovery is an important responsibility of the Department of the Interior. However, I also recognize that funding for the endangered species program must be balanced with other priorities within the Department and the Fish and Wildlife Service. Funds which are appropriated for the endangered species program must be allocated to those areas of the country where the highest priority needs can be met. In addition, the Federal Government cannot do the job alone. I am committed to enlisting the support of States and private organizations in preserving and recovering our endangered species and to running an efficient, cost-effective endangered species program.

Senator Inouye

4. Question: The Reagan Administration consistently took the position that Federal land acquisition was not a priority. Rather it advocated exchanges. The Hakalau forest song bird refuge, the James Campbell National Wildlife Refuge, the Oahu Forest National Wildlife Refuge, and many other significant sites were achieved through acquisitions approved by Congress.

   What is your view of the role of the Federal Government in land acquisitions?

   Answer: I favor prudent acquisition of nationally significant lands for inclusion in the Federal conservation estate. At the same time I believe we should encourage State and local governments and the private sector to make decisions to acquire and develop sites for outdoor recreation based on the needs and desires of local people.

Senator Daniel K. Inouye

1. Question: This question concerns a quitclaim deed, executed in 1977 between the Department of the Interior and the County of Maui, for 1.1 acres of land immediately adjoining the grave of Charles A. Lindbergh in Kipahulu, Maui in the State of Hawaii.

A. As this deed was executed in 1977, I am interested to know whether the Department intends to enforce, over 11 years later, a condition which requires that the land be developed into a park, and failure to comply therewith would result in a reversion to the Department?

B. Would you be willing to renegotiate the deed, reexamining the terms and conditions of the deed, including the intended purpose and use of the land, in the event that the County of Maui is unable to comply therewith?

Answer: While I am unaware of the specific details about this land in Maui, it is my understanding that the property was transferred to the County of Maui under the Federal Property and Administrative Services Act of 1949, as amended. That legislation provides for the no-cost transfer of surplus federal property to State and local governments with the restriction that the property is used, in perpetuity, for public park and recreation purposes. The legislation does not permit the Department to renegotiate the terms of such a transfer that require use for public park and recreation purposes. However, the Department can and will work with the County on how best to provide for public park and recreation purposes. If the County no longer wants the land for public park and recreation use, it will revert to the U.S.

Senator Leahy

1. Question: On two separate occasions, you supported amendments weakening the Endangered Species Act.

   On December 17, 1986, you voted to remove protection of the Endangered Species Act for two endangered species.

   As Secretary of the Interior, you would be responsible for implementing the Endangered Species Act. Do you intend to fully implement this valuable legislation and abide by the full intent of Congress in protecting our endangered wildlife?

   Answer: As I mentioned when I appeared before your Committee, I recognize that my new role is different than the one I have carried out for the past 20 years in Congress. Obviously, as Secretary I will uphold the law and do my very best to work out in a nonconfrontational manner the resource conflicts which will inevitably arise and will ask the Director of the Fish and Wildlife Service to do the same.

   Let me go beyond that point, though, and reiterate the Administration's commitment to stewardship of our natural resources. Both the President and I take that commitment very seriously. Protecting species threatened with extinction is not only an obligation under the law, but it is also a matter of moral concern. It would be contrary to our principles of stewardship and responsible government to do otherwise. However, in the spirit of harmony I want to reemphasize what I said in my testimony -- that we believe it is possible to achieve both environmentally sound development and protection of our valuable natural resources.

Senator Leahy

2. Question: How would you manage pesticide policy in National Parks to insure that stricter state standards are respected?

Will you manage the use of pesticides in agencies under your authority to fully protect public health and environmental integrity?

Answer: Pesticide use on lands managed by the Department will be in accordance with all existing EPA and OSHA regulations, Departmental policy and procedures, and in cooperation with USDA to ensure protection for public health and the environment.

In National Parks, as an example, the policy is to control native pests if park resources are endangered, if pests threaten to affect areas located outside the park, and to protect human health and safety. Integrated pest management is then used to control pests through primarily biological or mechanical means. The choice to apply chemical pesticide would occur as a last resort and is based on a review of all other options and a determination that these are not feasible.

Senator Pat Leahy

3. Question: "During the 100th Congress, strong, though unsuccessful, efforts were made to open up the Alaskan coast to oil and gas exploration. This legislation seriously threatened the Alaska National Wildlife Refuge. You supported this legislation. (H.R. 1082)

As Secretary of the Interior, would you advocate drilling in the Alaska National Wildlife Refuge?"

Answer: I feel it is important that an orderly oil and gas leasing program be conducted on the Coastal Plain of the Arctic National Wildlife Refuge, Alaska (ANWR). However, we must be careful to avoid unnecessary adverse effects on the environment.

Senator McClure

1. Question: The Bureau of Land Management has been working on a large scale project to automate its record development and record keeping systems for land and mineral records. I have been impressed by information that this project will streamline responses to inquiries, facilitate the processing of applications and permits, and reduce the cost of records management. Can you provide me with some more details relative to the extent of the savings BLM anticipates in terms of time and dollars once such a system is implemented. I would also like to know what the schedule is for implementing this project and if it is on schedule.

Answer: I have been told that the Automated Land and Mineral Record System (ALMRS) project will provide both the public and Federal personnel the needed access to necessary information about the status of public lands and the location of the land parcels. This automation will replace the Master Title Plats that were drawn by hand starting in the 1950s. BLM reports that significant benefits will include improved case processing ($200 million); reduced query time ($235 million); and better records management ($43 million). In addition, the elimination of duplicative manual (and automated) data collection systems maintained within BLM, and by a variety of other agencies, is estimated to save $223 million over the 10-year life cycle of the project. With the new ALMRS computer system, answers to typical public inquiries should be provided 70% faster, while some essential tasks, such as producing oil and gas lease maps, can be completed in five minutes, rather than weeks.

I have been told that the project is on schedule, with a contract (Request for Proposals) to be issued this summer, and a contractor to be selected a year later. The piloting of the system, to test before full-scale implementation, will occur in FY91-92. All BLM offices are to implement ALMRS in FY93. Data entry for legal land descriptions is completed and land status entry is nearly 75% done, with the data already collected in use, not only in BLM's existing computer systems, but by others, including companies in the private sector.

Senator McClure

2. Question: What is your view of the current riparian policy of the Bureau of Land Management? Do you plan any changes and if so, what would they be? Do you believe that fencing riparian areas is a management option on all BLM riparian areas? What do you feel are viable alternatives in riparian management?

Answer: It is my understanding that the Bureau of Land Management riparian policy was developed over a substantial period of time and with participation from a wide range of interested persons, organizations, and State and Federal agencies.

If confirmed as Secretary of the Interior, I do not have immediate plans to change the policy. If changes appear necessary, I will work on this with the many persons and agencies who have an interest and expertise in riparian-related issued.

Protective fencing is not always practical or possible on all BLM riparian areas. While there are undoubtedly certain areas where protective fencing is necessary, management of riparian areas is preferable to protection, wherever that is possible.

Viable alternatives should include management that does not entirely separate the riparian sites from the surrounding uplands. These may include livestock grazing management practices that are keyed to season of use, pasture rotation systems, or even types of livestock and alternative water sources.

Senator McClure

3. Question: (a) What is your position on the collection of excess wild horses and burros from Federal lands under the jurisdiction of the Department of the Interior? (b) Do you support the Adopt-A-Horse Program? (c) What is your feeling on mass adoptions of wild horses and burros? (d) How would you deal with the numbers of wild horses now kept in Federal holding facilities?

Answer 3(a): I believe that we must protect the public land resources. The presence of excessive numbers of any species is cause for concern. Furthermore, the Wild Free-Roaming Horse and Burro Act requires the removal of excess wild horses and burros from the public lands.

The Federal Land Policy and Management Act mandates a planning process for all areas and uses of the public lands, and I strongly support that process, which has many opportunities for public input. Populations above those levels are considered to be in excess and are removed periodically to achieve and maintain appropriate management levels.

With planning nearly complete, I am advised that the BLM estimates that the appropriate management level will be about 31,000 wild horses and burros. The current population is approximately 42,300. The most recent calculation shows an annual rate of increase of 18 percent, which means that 7,600 animals must be removed this year merely to keep the population static.

Answer 3(b): Yes, I support the adoption program. The concept is sound and has been proven over the past 15 years. The program affords everyone an opportunity to acquire and care for a part of the Old West by adopting an animal that roamed land owned by all Americans. More than 90,000 wild horses and burros have been adopted since 1973, and the overwhelming majority of them have found good homes. I think we can improve the adoption program by increased marketing efforts to make the public aware of the availability of these animals.

Answer 3(c): I do not favor mass adoptions. As you know, over the past 4 years, large-scale fee waiver adoptions were used to place otherwise "unadoptable" excess wild horses in private care. But there were some problems with that program, and it was discontinued in September 1988. I think we should concentrate on the sanctuary concept for the placement of the older and poor quality horses that are unadoptable. (The demand for burros is high, so we have no problem finding homes for virtually all excess burros.) The present sanctuary in South Dakota is off to a good start, and I encourage the establishment of additional sanctuaries as the need arises. If confirmed as Secretary of the Interior, I expect to choose a second sanctuary this fiscal year.

Answer 3(d): If confirmed, I will emphasize the adoption program and the sanctuaries to limit the number of wild horses that need to be kept in holding facilities. From three such facilities in 1985, we are down to just one (in Bloomfield, Neberaska) at present. Additional holding capacity is available in the prison training programs in California, Colorado, New Mexico, and Wyoming.

Senator McClure

4. Question: How will you effectively balance the need for additional range improvements with the need to increase recreational spending on BLM lands?

Answer: Both recreation and range are among the multiple uses provided for in the Federal Land Policy and Management Act of 1976. If confirmed as Secretary of the Interior, I would hope to be able to achieve a balanced multiple use program through the Bureau of Land Management land use planning process, where both needs and public desires are documented, evaluated, and prioritized.

Senator McClure

5. Question: What will you do to curb the noxious weed infestations on Federal lands under your control?

Answer: I am aware that noxious weed infestations may occur on a combination of Federal, State, and private lands. If confirmed, I will work cooperatively with the respective parties to provide environmentally sound measures that effectively and efficiently provide necessary controls.

In those instances where only Federal lands are infested, efforts would be made for controls in line with the magnitude of the problem and the need for protection of the Federal land resources for the Nation. I recognize that this is a matter which benefits from a continuing dialogue between the Department and the Congress.

Senator McClure

6. Question: Unquantified reserved Indian water rights have the potential to cause conflict between tribes and states. Litigation is expensive and prolonged. The uncertainty of water rights affects economic growth on and off the reservation. Thus, states and tribes are attempting to resolve this uncertainty through negotiations. In order for these negotiations to be successful, however, the Department must participate in these negotiations and speak with one voice. How do you intend to provide for Department participation in reserved water rights negotiations? How will you ensure that the Department speaks with one voice? Do you believe that the Federal government has a responsibility to contribute to the costs necessary to settle reserved water right claims?

   Answer: President Bush has stated that Indian claims, whether the claims be for water rights or other rights, need to be settled rather than litigated, and he intends to ask Congress for its cooperation in settling claims as rapidly as possible.

   As the trustee for Indian water resources, the Interior Department is a necessary party in the adjudication of these rights. Negotiations are almost always a preferable alternative to litigation and I will make it a high priority for the Department to be prepared to participate in these negotiations in a responsible manner. As you suggest, given the additional governmental responsibilities for reclamation, management of national parks, fisheries management, etc., it is imperative that the United States speak with one voice. I will look carefully into possibilities for ensuring that the Department satisfies this need.

   The question of Federal responsibility for the costs of a settlement is particularly complex. Among the many factors in an equation for a settlement, a contribution by the federal government may be justified, depending on the facts, just as contributions from others may be justified. There are many other concerns beyond monetary contributions in reaching a settlement. As you have indicated, the Department itself has multiple concerns in a settlement, including, of course, the Indian claims involved. I will be spending considerable time in the months ahead to ensure responsible Departmental involvement in water negotiations. Congress, of course, has an important role in the final shape of these settlements, and I will look forward to working with you as we proceed.

Senator McClure

7. Question: What is your position on "government-to-government" relations between states and tribes?

Answer: President Bush has already indicated his commitment to American Indian self-government and his recognition of the unique political status of Indian tribes.

Since we have such a major stake in the tribal governments, we want those governments to succeed. For any government, this requires the ability to work with neighboring governments. I want to encourage the tribes to seek very close intergovernmental relations with states and with local governments around Indian reservations. Individual Indians, of course, are citizens of states as well as members of tribes. This and certain state roles under the law result in many state responsibilities on and near Indian reservations. Nevertheless, all of the levels of government in this country must also deal with Indian tribal governments as those governments carry out their responsibilities. I intend to facilitate intergovernmental relations for Indian tribes which will help to carry out the President's commitment to Indian self-government.

Senator McClure

8. Question: What will be your policy with respect to the creation of new Federal reserved water rights?

Answer: This is a question of extreme importance since Federal reserved water rights, which are based on Federal law, must coexist and be integrated with appropriative water rights acquired under state laws. It is my understanding that a Federal reserved water right can be found to exist only when it is clear from the language of a statute or its legislative history that Congress implicitly intended to reserve previously unappropriated water sufficient to meet the primary purposes of a public land reservation. Therefore, in the event any new legislation was passed establishing new or different types of reservations of the lands under the stewardship of the Secretary of the Interior, I would first look to the legislation and Congressional pronouncements in the legislative history to determine what, if any, water Congress intended to reserve. I would then work closely with affected states to integrate Federal needs for water into the state's system for administering water rights. In short, I would attempt to balance the needs of Federal facilities against the disruption to local water supplies caused by Federal reserved water rights.

Senator McClure

9. Question: Under your administration, how would you proposed to acquire water rights needed for Federal facilities within your jurisdiction?

Answer: One of the key elements of my agenda for the Department is partnership. Few areas of Interior's mission provide a greater opportunity to demonstrate my commitment to partnership with the states than acquisition of water rights for Federal facilities. I strongly believe that the Department should continue to work with the states, and within the framework of state law, when acquiring water rights for Federal facilities. As partners with the states we can ensure that state and local interests are protected when Federal water rights are acquired.

As far as specific facilities are concerned, I believe that each situation must be judged on its own merit. Accordingly, I will look to the particular factual situation involved prior to accepting any recommendation with regard to acquiring water rights.

Senator McClure

10. Question: California v. United States, 438 U.S. 645 (1978) held that a state can attach conditions to the state water rights for a Federal water project under Section 8 of the 1902 Reclamation Act that are "not inconsistent" with congressional directives for the project. In light of this case, what role do you envision for the states in regulation of waters affected by Bureau projects? Do you believe the Bureau should comply with state administration of reclamation projects with respect to transfers and changes of use, state area of origin laws, and other state statutory procedures?

Answer: In section 8 of the Reclamation Act of 1902, Congress spelled out its view of the relationship that should exist between Federal reclamation projects and state water laws. That section clearly provided that the U.S. would acquire water for reclamation in accordance with state law. As you note, that relationship was further clarified in California v. U.S., when the Supreme Court made clear the management of Federal reclamation projects must comply with state law and conditions unless inconsistent with clear congressional directives. The Bureau of Reclamation must carry out these Congressional directives governing reclamation projects. I believe that mission can be accomplished in concert with the states, through an effort at concensus building and cooperation. As part of that effort, and in keeping with the holding of California v. U.S., I will see to it that the Bureau complies with state permit conditions so long as they are not inconsistent with clear Federal requirements.

Senator McClure

11. Question: Under your administration, how would you propose to administer Federal facilities within DOI jurisdiction to meet state water quality standards and comply with other state environmental regulations?

    Answer: A high quality of water is a goal of all Americans, and it is a goal that I share. I can assure you I will direct the Bureaus to carry out their missions in a manner that is consistent with that goal. I will also direct the Bureaus to work closely with the states, while carrying out the Department's national duties.

    It is my understanding that in the case involving the Kesterson Wildlife Refuge in California, the Department voluntarily agreed to comply with state water quality standards, even though it could not be forced to do so. That cooperative spirit is one I will strive to continue.

Senator McClure

12. Question: Will you agree to fund state oversight of Federal cleanup activities under CERCLA for Federal facilities administered by the Department of the Interior?

Answer: I understand the concern of states, that, as a good neighbor, the Department address any potential problems at its Federal facilities within the letter and the spirit of CERCLA and other environmental laws. I will work with the states to address their concerns that this Department complies with all requirements of CERCLA.

It is my understanding that the EPA is responsible for supplying grants to any group of individuals affected by a release or potential release at a site on the National Priorities List. Any request for Departmental funding of state oversight of Departmental cleanup activities should be handled on a case-by-case basis. In every instance the Department should review the facts in order to determine what if any assistance is warranted.

Senator McClure

13. Question: A recent Bureau of Indian Affairs memorandum directed that hazardous waste disposal facilities on Indian reservations must comply with all Federal, state, local and tribal laws. Do you intend to continue this policy? Will you work to encourage further cooperation and coordination between Federal, state, and tribal governments regarding environmental problems on reservations, such as hazardous wastes, water pollution, and control of air pollution?

    Answer: The Bureau of Indian Affairs as well as other Departmental bureaus and offices should comply with all Federal environmental and other applicable laws. I will consult with the Solicitor as to the proper interrelationship between Federal, state, local and tribal laws. I will encourage that the lines of communication and cooperation between Federal, state, local and tribal governments be strengthened to address environmental problems on Indian reservations.

Senator McClure

14. Question: We know you are aware of the magnitude of Federal landholdings in the western states, and their impact on western economies and sovereignty. As Secretary of the Interior, will you seek to have states appropriately compensated for the impact of new large-scale Federal facilities.

Answer: There are two compensation programs already in place, the Payments in Lieu of Taxes (PILT) program in the Bureau of Land Management (BLM) and the National Wildlife Refuge Fund (NWRF) in the Fish and Wildlife Service (FWS).

The PILT program has been fully funded at $105 million for the last several years. I have supported that and will continue to do so. The funding level proposed for NWRF in 1990 is $12.7 million, which is 80% of estimated actual needs. I will examine whether it is appropriate to raise this level, within the overall funding constraints of the Department and the Federal Government.

Senator McClure

15. Question: The Federal-state audit program, under which state auditors have audited Federal public land leases, has resulted in bringing many millions of dollars to both state and Federal treasuries. Will you act to ensure the viability of the audit program?

Answer: I understand the Federal-State partnership in mineral lease auditing has been quite successful. I would expect to build on such cooperative efforts wherever possible. I am committed to an effective audit program to assure that royalties are paid on time and in full.

Senator McClure

16. Question: Many royalty dispute matters which have the potential for significantly affecting states are not discussed with the states by the Department. Will you establish meaningful and timely communication with states to:

    a. keep states advised of litigation which could affect them and in which an interest is expressed, and

    b. seek state input on these matters?

    Answer: I am well aware of the impact Federal actions and Federal litigation can have on individual States. I am committed to making sure that the Department of the Interior is at all times considerate of the views of the States in which the Department manages lands, minerals, and activities, and that we consult with your constituents at every appropriate opportunity. I value the input of affected States and intend to assure that it is always a factor in the decision making of the Department of the Interior.

Senator McClure

17. Question: What specific steps will you take to ensure the implementation of the Executive Order on federalism by the Department of the Interior?

Answer: Consistent with the Executive Order, I will ensure that the substantive federalism principles and requirements are followed.

Specifically, I will review the current implementation plan and will appoint a Federalism Review officer within the department to review all proposed legislation, regulations and policies for federalism effects.

Senator McClure

Second Question 4: Do you believe that States should receive lands of comparable value for school lands sections in place, when those lands are unavailable to States because of their inclusion in Federal reservations?

Answer: I have been informed that the selection statutes at 43 U.S.C. 851 are specific in allowing States to select lands in lieu of lost school sections of equal acreage. This statutory requirement of equal acreage cannot be relegated to secondary importance in a quest for roughly equivalent value.

I believe, however, that it is important that each situation should be reviewed on a case-by-case basis, bearing in mind all specific facts.

Senator McClure

Second Question 5: What priority will you give to the completion of State Indemnity Selections.

Answer: If confirmed, I plan to continue the Department's high priority for conveying in-lieu lands owed to Western States since statehood, upon application.

Senator McClure

7. Question: Mr. Lujan, I wonder if you could take a few moments to describe your commitment to the Cultural Resource and historic preservation programs under the jurisdiction of the Interior Department?

Answer: I am aware of the broad responsibilities that the Department has with respect to cultural and historic resources. I am deeply committed to the preservation of these national treasures; they symbolize our heritage as Americans. They serve an important role in explaining who we are.

It is my understanding that the Department has many qualified cultural resource professionals in key career positions. I will strive to see that their concerns receive attention and are recognized by the appointments the President and I make at the Assistant Secretary level and in the National Park Service. In addition, I will involve our partners in the States, Tribes, local governments, and the private sector in this effort on behalf of cultural resources wherever they may be found.

Senator McClure

8. Second Question: Do you believe that states should have primacy over water?

Answer: The right of states to control their waters, as well as the relationship between the Federal government and states, has been extensively addressed by Congress and the courts. In particular, section 8 of the Reclamation Act of 1902 spelled out the relationship between Federal reclamation projects and state water laws. That relation was further clarified in California v. U.S., where the Supreme Court held a state may impose conditions on control, appropriation, use, or distribution of water in a Federal reclamation project, so long as the condition is not inconsistent with clear congressional directives.

With respect to Federal reserved water rights, while the Supreme Court has long recognized that rights to water for Federal reservations, including Indian reservations exist under Federal law, it has also clearly held that under the McCarren amendment states may adjudicate, or determine and quantify, Federal reserved water rights in state court general stream adjudications. I understand that the Department is currently a party to a number of these adjudications thorughout the West.

In proceedings such as those, as well as in its overall management activities, I can assure you the Department will continue to recognize the central role of states in water.

Senator McClure

Second Question 12: What steps will you take to ensure that the states, through their governors, attorney generals, and land managing agencies are consulted on Departmental policy?

Answer: I can assure you that my policy as Secretary will be to work closely with the states on matters affecting each state. I recognize full well that the Interior Department takes many actions that have large impacts on the economies and the environments of the states containing significant Federal lands and resources. My goal as Secretary will be to ensure that the concerns and interests of the states are fully presented and recognized before any decisions are made.

There are already a number of formal mechanisms in place for consultation with states concerning land use planning, Federal coal leasing, and offshore oil and gas leasing. Major Federal actions require an environmental impact statement which involves frequent opportunity for consultation with state and local governments. I will use these formal mechanisms and less formal efforts in seeking to provide an ample opportunity for states to make their concerns known.

Senator Hatfield

1. Question: How do you characterize your philosophy regarding resource management? What is your definition of multiple-use?

   Answer: The President and I agree that the conservation and wise management of our national resources--this whole notion of stewardship--will have a high priority in this administration. We are committed to protecting and enhancing the Nation's valuable resources, as well as proceeding with their environmentally sound development. We can do both; we do not have to choose between them.

   A guiding principle will be multiple-use management. By multiple use, I mean that the lands and resources in Federal ownership will be available to many types of uses. Inevitably, there will be conflicts in specific areas and the values of different uses will have to be balanced. I expect that there will be some difficult decisions. My goal will be to achieve the economic potential of Federal resources while at the same time protecting fully the environmental assets that are so important to the Nation.

Senator Hatfield

2. Question: I have long been critical of the agencies overseeing our natural resources - the Department of Interior and the Department of Agriculture in particular - for not cooperating with each other. For instance, the Forest Service, the BLM, and the Fish and Wildlife Service have conducted, or are currently conducting separate studies on the Spotted Owl. As you may know, the protection of spotted owl habitat in old growth forests on federal lands conflicts with timber harvesting activity in the Northwest. How do you intend to avoid needless duplication of efforts between resource management agencies? What kind of relationship do you intend to establish with the Department of Agriculture to achieve that goal?

Answer: I certainly share your view that needless duplication of effort must be avoided, not only on spotted owl work, but the full array of activities in which we are involved. As you know, I believe in and practice a cooperative, partnership approach to resolution of issues. I understand that an interagency agreement was recently signed (8/12/88) by the BLM, Forest Service, National Park Service, and the Fish and Wildlife Service. I have been told that this agreement lays out cooperative procedures for conducting spotted owl inventories, monitoring populations, conduct of research, and joint field reviews. In addition, funds allocated to BLM for spotted owl research are now going to the Forest Service's Pacific NW Forest Experiment Station to help fund joint studies and research. Please be assured that, if confirmed as Secretary of the Interior, I will pursue similar partnership approaches among various agencies and organizations, as appropriate.

Senator Hatfield

3. Question: "Related to my last question is the concern I have about the serious public conflicts over the management of our natural resources generally. During the past several years, certain sectors of the public have taken action to obstruct the Interior Department's ability to perform its statutory duties. What initiatives may Congress expect to see from the Interior Department to address these problems? Or do you intend to wait for the crises to occur before you decide how to deal with them?

Answer: If confirmed as Secretary of the Interior, I will not sit and wait for crises to occur; there is much we can do to anticipate and deal with them. First, I will support the Bureau of Land Management in completing their Resource Management Plans in the early '90s. I am told that nearly half the public lands are covered by the 54 plans now approved, all of them without litigation. Since they are fully integrated with Environmental Impact Statements, they assure participation of the public.

I plan to consult with Governors and other state and local officials, who can aid the Interior Department in understanding and resolving public concerns. I will direct the agencies to incorporate public involvement in the development of policies and procedures for multiple use management. By pursuing open and active dialogue with affected constituencies, problems can be identified. By addressing the problem in a timely fashion, many potential crises can be avoided.

Senator Hatfield

4. Question: Along the lines of the last two questions, do you intend to direct the BLM to participate with the Forest Service in preparing an inventory of Old Growth forest resources so that a common definition of that resource can be developed?

Answer: I have been advised that the Bureau of Land Management's forest inventory effort conducted for the ongoing Resource Management Planning in western Oregon has been completed. The Bureau will make its inventory data available to the Forest Service in accordance with the interagency communication that has already occurred in response to the 1989 Appropriation Act.

Senator Hatfield

5. Question: Particularly in the western states, there are an increasing number of questions regarding water rights and usage. At the same time, the Bureau of Reclamation has said it is "getting out of the business of" water impoundment projects. I believe that the Federal Government should continue to play an important role in meeting this nation's water needs and must establish a framework for making future decisions regarding federal, state, tribal, and private water rights. Do you intend to initiate the development of a comprehensive, integrated national water policy instead of the usual approach involving several different agencies, priorities, and methods of operation?

Answer: I do not believe that there should be a national water policy imposed on the states by the Federal Government. However, the Department of the Interior needs to continue to be a focal point for bringing together the various state views. I will work within the Administration to assure a consistency within the Federal Government.

Senator Hatfield

6. Question: If the owl is listed, how will you manage western Oregon BLM lands to reconcile the need to protect the owl as well as Oregon's economy?

Answer: I expect the Bureau of Land Management to cooperate with the Forest Service and the Fish and Wildlife Service in the withdrawal of land to that needed to protect the viability of the species within the mandate of the Endangered Species Act. The timber sale planning efforts would be redirected to the remaining intensive land base to maximize the annual sale offerings within sustained yield parameters for the purposes of providing a permanent source of timber supply as mandated by the Oregon and California Act.

Senator Hatfield

7. Question: As you know, the Reagan administration's budget includes provisions which would fund firefighting on federal lands by deducting those expenses from federal revenues that are shared by state and local governments. While I agree that funding these activities is of obvious importance, Oregon would lose over $42 million in revenue under this proposal (amounting to 18% of their total receipts) - more than any other state in the union. I would like to know if you support this raid on shared revenues, and, if so, why you believe that Oregon should bear a disproportionate share of the burden.

Answer: As a Member of Congress, I opposed proposals in the past to deduct administrative costs prior to sharing receipts with states and local governments. The Reagan Administration proposal would do much the same thing. I intend to raise this issue with the new Director of the Office of Management and Budget, and with the President if necessary. It may not be feasible to change the nature of the 1990 request to the Congress, but I will pay special attention to this problem as I formulate my 1991 budget request. I note, however, that the ultimate decision on this proposal rests with the Congress.

Senator Hatfield

8. Question: The Federal Government has the responsibility of protecting the rights of the Native American people. I take this stewardship seriously. How do you view and how do you plan on upholding this special "trust relationship" as Secretary of the Interior?

Answer: I also take very seriously the United States' trust responsibility for Indian land and resources. As Secretary, I will do my utmost as trustee to protect the trust resources of individual Indians and Tribes and work with the Tribes and individuals to promote the use of those resources for their highest and best use. Improved uses of Indian natural resources will assist in Indian self-determination and self-sufficiency.

Senator Domenici

1. Question: America's dependency on imported oil is one of the most serious threats to our national security. The economic disruption that would be caused by a sudden and substantial increase in the price of oil would be severe. In addition, our nation is becoming increasingly dependent upon unreliable sources of energy at the same time that our domestic industry has been devastated by depressed oil prices.

   Do you think that America is well served by becoming increasingly dependent on foreign sources of energy?

   Answer: No. Imports now account for 50 percent of our oil consumption, and future prospects are not encouraging. As the manager of America's energy resources on public lands, the Department of the Interior can contribute to the solution of this problem. You may be assured I will carefully review Departmental policy and programs to ensure everything possible is being done to lessen that dependence, consistent with safe-guarding the environment.

Senator Domenici

2. Question: This year marks the 25th anniversary of the Wilderness Act. How well has the Wilderness Act served the people of the United States?

Answer: The Wilderness Act of 1964 established for present and future generations of Americans a long-lasting system of high quality wilderness that represents natural ecosystems. The land-managing agencies of the Federal Government have reviewed lands of wilderness character and have subsequently made recommendations to Congress. Congress has been active in designating wilderness areas during the last 25 years. As a result, a legacy of pristine lands has been preserved for the future enjoyment of the American public. The Bureau of Land Management is currently reviewing 24 million acres of undeveloped land for possible wilderness designation by Congress. While this process should contribute further to the preservation of unspoiled areas for posterity, the needs and desires of those who live in and around these areas being considered for special status or designation must not be overlooked. If confirmed as Secretary of the Interior, I will seek to work with the affected states and communities on these matters, to ensure the continued success of our effort to meet the goal of the Wilderness Act.

Senator Domenici

3. Question: Last year, Congress approved the Colorado Ute Indian Water Rights Settlement Act, which implements the Animas-La Plata cost sharing agreement and settles Indian water rights claims in southwestern Colorado. This action cleared the way for the construction of the Animas-La Plata Project.

   In the past, the Department has been committed to the construction of the Animas-La Plata Project, which was first authorized in 1968. Can we look forward to your continuing that record of commitment?"

   Answer: Yes, I support the settlement approved by the Congress in the Colorado Ute Indian Water Rights Settlement Act and I am committed to supporting the Animas-La Plata Project.

Senator Domenici

4. Question: As Secretary, would you continue to place an emphasis on business development on Indian reservations?

Answer: Yes. Self-determination goes hand-in-hand with the development of reservation economies. Unless we can improve the economic and social reservation conditions, high unemployment will prevail.

The majority of Indian reservations are economically depressed and viable economic enterprise proposals are difficult to find. Indian businesses that could be viable are classified as "high risk" because of: (1) the unique trust status of tribal resources, limiting their use as collateral; (2) the lack of equity capital; and (3) questions relating to the ability of outside lenders and investors to enforce security rights in tribal, Federal, or State courts.

Recent amendments to the Indian Finance Act provide authority to allow additional financial assistance.

While we strongly support economic development on reservations, let us not forget that this is not a one-way street. Tribal leaders -- elected by their members -- also bear the responsibility of improving the quality of life on their reservations by bringing in and creating economic development. There are many success stories where many jobs have been created on reservations by tribal leaders who brought together cooperative efforts of tribal and state governments and the private sector. In addition to the efforts of the BIA and the Federal Government, we need the innovative ideas and know-how of tribal leaders to help us in bringing about more and better jobs on reservations.

Senator Domenici

5. Question: Do you agree that we need to strengthen vocational education for young Indian students?

Answer: Yes. I understand that in the past eight years the Department has completed extensive facilities renovation programs for Bureau of Indian Affairs schools. These renovation programs expanded several Bureau schools from elementary to junior high grades and included the addition of facilities for vocational programs.

Regional Vocational Schools in States with large Indian populations are being utilized by some of our Bureau schools. These schools have entered into cooperative agreements with State educational entities to utilize these programs and I intend to explore further possibilities to expand these cooperative efforts.

Senator Domenici

6. Question: Representatives from the Geological Survey serve on the Committee on Earth Sciences which is an interagency task force studying the problem of global change. Under your leadership will the Department of Interior work to fulfill the President's pledge to commit more resources to this problem?

Answer: Yes. The Fiscal Year (FY) 1990 Budget, submitted by former President Ronald Reagan, includes an increase of $7.0 million for the U.S. Geological Survey (USGS). This increase will expand research efforts in documenting past climate, in enhancing our understanding of the relationship between atmospheric circulation and hydrologic processes, in improving our capabilities to predict the water-resource implications of global change, and in improving our land data and information management systems for the processing, archiving, and distribution of long-term land data bases.

The USGS is an active participant in the U.S. Global Change Research Program formulated by the Committee on Earth Sciences. In fact, Dr. Dallas Peck, Director of the U.S. Geological Survey, is Chairman of that Committee.

In addition, I am informed that a Departmental Working Group on Climate Change, acting under a recent Secretary's Order, is coordinating activities and identifying opportunities within bureaus on global climate change activities.

Senator Domenici

7. Question: As part of continued research into the question of global change, will the Department of Interior be evaluating potential effects that could occur on our public lands and on our waters?

Answer: Yes. An important aspect of the global change question is the predicted impacts of potential changes on natural and man-made earth systems. There are several bureaus within the Department of the Interior, including the U. S. Geological Survey, the Bureau of Reclamation, National Park Service, Bureau of Land Management and the Fish and Wildlife Service that will have a role in addressing the effects or impacts of global change on the Nation's natural resources.

Senator Domenici

8. Introduction: Mr. Lujan, I know of your long interest in archaeology and historic preservation, and your support of legislation to protect archaeological sites in New Mexico and elsewhere. Last year I sponsored legislation which you also supported to amend the Archaeological Resources Protection Act. As Secretary of the Interior you will be the lead official in the United States responsible for protection, preservation and interpretation of heritage resources. This responsibility takes several forms:

   o Agencies including the National Park Service, Bureaus of Land Management and Reclamation, Fish and Wildlife Service manage large expanses of land.

   o Agencies like the Bureau of Indian Affairs, Office of Surface Mining Reclamation and Minerals Management Service are responsible for programs that affect Federal, State and Indian lands throughout the U.S. and on the Outer Continental Shelf.

   In both cases, the lands are documented to contain millions of archaeological sites. Archaeological sites contain the undocumented remains of past human activities and are fragile sources of information about the prehistory and history of our Nation. Looting and vandalism of these sites are increasing at an alarming rate. Some statistics:

   o Nearly 90% of known sites on Federal lands in the Four Corners area of the southwest (New Mexico, Arizona, Utah and Colorado) have been looted or vandalized.

   o The Fish and Wildlife Service estimates that one-third of the 800 known Indian archaeological sites on refuge land in the area have been damaged, most during the last 10 to 15 years. Yet, the Fish and Wildlife Service has surveyed less than 1% of its lands for cultural resources.

   o The National Park Service reports that looting and vandalism of sites on Federal lands increased 42% from fiscal 1985 to fiscal 1986.

   o Underwater sites have also been looted from Key Largo in Florida to the Channel Islands in California.

   o On Indian lands, a 1000% increase of site looting and vandalism occurred between 1980 and 1987. Some experts believe this resulted from looters shifting their activities onto Indian lands because of increased enforcement on Federal lands.

   On the other hand, many efforts are underway which have been very successful in protecting heritage resources. For example, the Interior Department's Take Pride in America campaign has stimulated increased public awareness of the value of archaeological sites and the need for site protection. Several Interior agencies are working with the Society for American Archaeology on a major project to bring together the public and private sectors to understand why looting occurs, determine ways to reduce looting and improve opportunities for public education. The BLM's recently completed Anasazi Heritage Center in Colorado is a model for curation, interpretation and public interaction. The National Park Service has co-sponsored training and conferences to educate Federal employees, professional cultural resource persons and the public. The Fish and Wildlife Service has been working with Native American groups to establish cooperative protection programs.

Question: With this background, I would simply like to hear your views on this issue and the level of priority you would assign to archaeological protection in the Department of Interior.

Answer: The looting of archaeological sites is abhorrent to me. Archaeological sites are an important and nonrenewable part of our country's resources and are the heritage of all Americans. The protection, public interpretation, and preservation of these resources should be a high priority for the Department of the Interior. Looting steals from all of the American public by diminishing our mutual heritage. The Department must fight this looting on Federal lands and must also help fight it on State, Tribal, and local lands. We have seen the incidence of looting on some Federal lands decrease as more public education and field level law enforcement have occurred. The Department must continue its training in archaeological resource protection and expand its efforts in law enforcement, public involvement and education and the inventory and evaluation of Federal archaeological resources.

Question: How will Interior agencies implement the latest amendments to the Archaeological Resources Protection Act requiring Federal agencies to develop public education programs?

Answer: I understand that the Interior agencies responsible for the largest numbers of archaeological sites, for example, BLM, NPS, FWS, BRec, and BIA, have interpretation programs in place and are promoting the preservation of archaeological sites on their lands through these programs. Within each Bureau, cultural resource management and interpretive staff will be directed to work together on expanding this aspect of interpretation and public outreach programs. If confirmed, as part of my responsibility for coordinating Federal archaeological activities, I will continue to collect and share information about public education efforts by Interior and other agencies. I will monitor these efforts and report to the Committee on them through my annual report on Federal archaeological activities.

Senator Wallop

1. Question: In the last Congress, by passing legislation to increase user fees at National Parks, we made a contract with the American people that entrance fees would go back to the Parks under a formula set by law. As Secretary of Interior I hope that you will do everything within your power to see that commitment is kept.

   Answer: As I indicated generally during my testimony before your committee, I will work to insure that both the spirit and the letter of all laws are followed. Entrance fees should be returned to individual units of the National Park Service under the formula set by law.

Senator Wallop

2. Question: Although Wyoming has been working very hard to get information out to the public that Yellowstone National Park is still a magnificent place to visit, it would appear that the public perception is still very negative. The Wyoming Travel Commission is very concerned about this perception. As of December 29, 1988, advance bookings for individual visitor parties at Yellowstone lodging facilities for the 1989 summer season show a 23 percent decrease from the same date in 1987. Since Yellowstone is the state's major tourism attraction, I need your assistance as Secretary of the Interior to turn that perception around. I look forward to working closely with you to make that come about.

   Shortly after the fires, National Park Service Director Mott encouraged all National Park Service groups which were planning to hold conferences to hold them in Yellowstone. Will you assist him in following through on that directive?

   Answer: I understand your concern. If confirmed as Secretary, I will ask the National Park Service to take aggressive steps to deal with the negative perceptions from the Yellowstone fires. For example, the National Park Service should continue their outreach with the tourism industry, and the local and national media.

   Director Mott's directive to encourage conferences in Yellowstone is a good idea and will have my support.

   Yellowstone remains one of the world's premier places to visit and I pledge my support to insure the public understands that.

Senator Wallop

3. Question: Last winter when I visited the Park, it was quite apparent that Yellowstone no longer has the facilities or financial resources to accommodate the growth in winter visitation. The Park has had to siphon off funds from the budget for summer visitation to keep the winter season going. I wondered what you as Secretary plan to do to assist in ensuring that the Park continues to meet the quality and standards expected by the American public?

Answer: I am aware that you, Senator Johnston, and Senator McClure visited Yellowstone last February and got a first hand look at the winter operations. I hope, as Secretary, to also visit that wondrous park in the near future.

I look forward to working with you to insure that Yellowstone continues to meet the high standards the public expects and deserves.

Senator Wallop

Question: There is one issue which I hope that you will personally take under consideration. Corn Creek Irrigation district has been attempting to purchase the remaining share of Wyoming's water from Glendo Unit storage water -- 10,000 acre feet -- for several years now. Under the 1953 Supreme Court case, Nebraska v. Wyoming, 25,000 acre feet of Glendo storage was allocated to Nebraska and 10,000 acre feet to Wyoming. This allocation predates both NEPA and the Endangered Species Act.

Nebraska contracted for all of its share of water as of December, 1984 and the purchase was based on a simple, seven-page environmental assessment. It is inequitable that the $60,000 EA performed by the Irrigation District is now inadequate. The Irrigation District's executory contract with the Bureau of Reclamation has been pending now since April 1984, execution conditioned upon "development and approval of environmental documentation involving the diversion of water to CCID." Corn Creek Irrigation District has been frustrated in its attempt to complete the purchase, in part, because of fear over future lawsuits from downstream interests. However, downstream users may never be satisfied and the Irrigation District feels that the Fish and Wildlife Service and the Bureau of Reclamation seem to be just "passing the buck".

The right of Wyoming water users to contract for the remaining portion of the uncommitted Wyoming entitlement of Glendo Reservoir is not in question. Your assistance in expediting this matter is needed and would be greatly appreciated.

Answer: I have been informed that the Bureau of Reclamation and the Fish and Wildlife Service have environmental studies on the impacts of the proposed Corn Creek project underway. The Bureau of Reclamation has been instructed to cooperate fully with the Fish and Wildlife Service and to provide necessary biological and operational information in order that any potential impacts and consequent mitigation be determined as soon as possible. I will instruct the Commissioner of Bureau of Reclamation and the Director of the Fish and Wildlife Service to expedite this matter and bring it to resolution as soon as practicable.

Senator Wallop

Question: Coal Valuation Regulations

The Department of the Interior just finalized coal product valuation regulations which will have a great impact on Wyoming, costing the state at least $10 million a year. Schools and local governments will be hardest hit by this loss because they received most of the state's share of coal royalties.

The problem lies in the definition of "gross proceeds". The new rules reduce the value of coal for purposes of assessing royalties by deducting abandoned mine land and black lung fees and state severance taxes. In the past, state and federal payments were included in the base value of coal, just as they are calculated into the sale price. Wyoming joined other western states in supporting an all inclusive definition of "gross proceeds" consistent with the interpretation of that phrase for oil and gas valuation. The new way of calculating coal royalties is contrary to the recommendation by those states and comes at a time when they stand to lose revenues, not only from the coal valuation changes, but also from the rental reduction rules, possible extraordinary cost allowance provisions, and the proposal to deduct fire fighting costs from timber and mineral receipts prior to distribution to States and counties.

My question is, first of all, will you relook at the impact of, and the justification for, these regulations? If so, will you delay the effective date and/or issue a moratorium on rulemaking until the impact can be fully assessed?

Finally, what is your intent with regard to the deduction of federal, state and local fees and taxes from gross proceeds for oil and gas valuation purposes?

Answer: In response to both questions, I am aware of the concerns of the Western Governors and, if I am confirmed, I will give these regulations my attention and explore all of the options available to me.

I am told that these rules were subject to extensive opportunities for public comment and that these issues were controversial. My predecessor believed, in balance, that this approach was appropriate. However, I am receptive to the expressed desire of affected entities to review whether this approach remains appropriate. The controversial and complex nature of this issue warrants an objective review prior to taking a firm position. However, the effective date of the rule may be extended if I am unable to complete this review in a timely fashion.

Senator Wallop

Question: Extraordinary Cost Allowance

The Department of Interior recently asked for comments on whether extraordinary cost allowance provisions should be developed for its oil, coal and geothermal product valuation regulations. What is your intent with regard to extraordinary cost provisions for these products?

Answer: The existing gas royalty valuation regulations state that an allowance for extraordinary costs of processing may be granted. I am informed that the Minerals Management Service, in response to concerns of affected parties, including States, proposed to further develop the criteria for assessing when a gas project would qualify for an extraordinary cost allowance and to consider comments as to whether such criteria should also be developed for oil, coal and geothermal projects. The public comment period has been extended to March 15, 1989. Following review of the comments submitted, I will be in a more informed position to determine how to proceed with this effort.

Senator Wallop

Fish and Wildlife Programs

The specific issue is the Wallop-Breaux program. As a result of the 1984 amendment to the Sport Fish Restoration Act, which you sponsored, revenue to the program has increased tremendously. As a result of the additional revenue, state fish and game departments have been able to increase projects to improve fish habitat and water access for fishermen.

Last year, the Administration proposed that some of the Wallop-Breaux funds be diverted to other programs in the Interior Department. The Congress never took any action on this proposal.

For the FY90 Budget, the Reagan Administration has put forward the same proposal. It will also include a provision to give funds directly to Indian tribes for sport fish restoration activities. The net result of these two changes is that the state fish and game departments will receive considerably lower funding that they anticipate from the Wallop Breaux fund. A second problem is that last year Congress increased the allocation out of the fund that goes to boat safety programs (this is a specified dollar amount, formerly set at $45 million, but now raised to $70 million). Because of this change, State allocations will be further reduced.

The program supporters point out that Wallop-Breaux is based on a user fee, and the budget change would raid the trust fund paid for by boaters and fishermen. This is a dangerous precedent for all trust funds.

Question: What is Secretary Lujan's position on this issue?

Answer: As I responded to your question at the confirmation hearing, I support this program and have already raised the Pittman-Robertson and Wallop-Breaux funding issue within this Administration. I will do everything I can to see that the trust maintained over the many years regarding these programs is continued.

Senator Wallop

4. Question: One provision of the Federal Surface Mining Act (SMCRA) places a tonnage fee of $.35 and $.15 for surface and deep mined coal, respectively, to fund reclamation of lands mined before the passage of SMCRA. Since many of the projects eligible for Federal reclamation in the midwestern and western States will be completed by 1992, would you oppose a continuation of this fee beyond the current deadline of 1992?

Answer: I have been informed that the Office of Surface Mining Reclamation and Enforcement is currently studying the issue of continuation of the abandoned mine land reclamation (AMLR) fee beyond the 1992 deadline. This study will assess the accomplishments of reclamation efforts, the impact of the reclamation fee on the mining industry, and the nature and geographic distribution of the remaining AMLR problems. This study is scheduled to be completed this fiscal year.

I anticipate awaiting the completion of OSMRE's study before developing a position on extension of the fee.

Senator Wallop

Question: The Reagan Administration's proposed budget for fiscal year 1990 calls for states to pay for firefighting on federal lands. Western states, which have no say in the formulation or the implementation of the fire policy, should not be dunned for the cost of fighting those fires. The proposal to deduct fire costs from timber and mineral receipts before sharing with states and counties would mean a loss of $30 million dollars to the State of Wyoming and I do not intend to let that happen.

Does the Bush Administration intend to follow the lead of the Reagan Administration and deduct fire costs from timber and mineral receipts before sharing with states and counties?

Answer: As a Member of Congress, I opposed past proposals to deduct administrative costs prior to sharing receipts with states and local governments. This proposal would do much the same thing. I intend to raise this issue with the new Director of the Office of Management and Budget, and with the President if necessary. It may not be feasible to change the nature of the 1990 request to the Congress, but I will pay special attention to this problem as I formulate my 1991 budget request. I note, however, that the ultimate decision on this proposal rests with the Congress.

Senator Nickles

ELMER THOMAS DAM

Question: Mr. Lujan, the Reagan administration's fiscal year 1990 budget for the Fish and Wildlife Service contained $3 million for Lake Elmer Thomas Dam located near Lawton, Oklahoma.

The funds are to be used for planning, design, and remedial measures for the dam which, only a year ago, was declared unsafe.

The recently completed feasibility study clearly showed the support of the local community and Fort Sill Army base to restore the lake to its previous state by building a new dam and repairing the north spillway. This project is a very high priority for the state of Oklahoma.

When can we expect to see a final decision on construction design?

What effect will President-elect Bush's budget changes have on this type of project?

Answer: I am aware that $3 million has been included in the FY 1990 budget for final design and to initiate construction in anticipation of the possibility that a replacement alternative may be selected. Based on the current schedule, the draft environmental assessment identifying a preferred alternative will be available for public review and comment by mid to late February. A final environmental assessment is expected in May or June. The effect of President Bush's budget review on this type of project is not yet known. We may also want to look at the possibility of cost-sharing, as well.

Senator Nickles

SPORT FISH RESTORATION PROGRAM (WALLOP/BREAUX FUND)
WILDLIFE RESTORATION PROGRAM (PITTMAN/ROBERTSON FUND)

Question: The Reagan administration's fiscal year 1990 budget also proposed capping the budget authority of the sportfish and wildlife restoration programs at $100 million each. As you know, these programs are financed by hunters and anglers through excise taxes on sporting equipment.

In FY 1989, Oklahoma received $2.06 and $1.49 million from the sportfish and wildlife restoration programs, respectively.

Although the wildlife program did not exceed $100 million in overall budget authority last year, the sportfish program did at $112.8 million. Therefore, a $100 million cap in budget authority would mean a reduction in funds distributed to states.

What is your position on the sportfish and wildlife restoration programs and do you support the $100 million cap in budget authority?

Answer: I strongly support both the Wallop-Breaux and Pittman-Robertson programs. As I mentioned in my response to a similar question asked at my confirmation hearing, I have already raised this issue within this Administration and will do whatever I can to see that the trust maintained over the many years with regard to these programs is continued.

Senator Don Nickles

Question: OCS Moratoria: Last fall on the Interior and Related Agencies Appropriations bill, the Congress included a provision that prevented companies already in possession of Federal OCS leases off of southwest Florida from engaging in exploration activities.

This seemed to me to be carrying the unfortunate Congressional habit of imposing moratoria on Federal OCS leasing activities one regrettable step further.

When the Interior Appropriations bill was considered on the Senate floor, I offered an amendment to strike this special restriction on the southwest Florida OCS leaseholders. My amendment failed by a vote of 59 to 37.

What actions do you intend to take to persuade Congress not to impose bans on exploration by leaseholders?

Answer: I hope to reach a consensus on OCS leasing issues so that requests for leasing or exploration moratoria will be unnecessary. The OCS Lands Act, particularly in the amendments adopted in 1978 which emphasize consultation with the States and other interests, provides for a balanced and orderly process for the conduct of the leasing program. Moratoria take away the opportunity for that process to work as the Congress intended.

As President Bush stated in his inaugural address and as I emphasized in my prepared statement, the President and I share the view that conservation and wise management of our natural resources must provide for protection of natural resources while proceeding with environmentally sound development. I firmly believe this policy is suited to the need to develop the oil and gas resources of the OCS while at the same time protecting sensitive marine and coastal environmental areas and resources.

The Nation currently produces about one-eighth of its domestic oil and about one-fourth of its domestic gas supplies from OCS sources. The national interest is heavily dependent upon continuation and enhancement of this production. In order to achieve a balanced policy, we must all lower our voices so that we can hear each other.

Senator Garn

1. Question: Do you support completion of the Bonneville Unit of the Central Utah Project (CUP)?

   a) Does this include the full Bonneville Unit Irrigation and Drainage (I&D) system?

   If yes:
   b) Do you support any particular method of financing that I&D system?

   Answer: The Bonneville Unit is substantially underway and should be completed.

   1a. Current plans include the Irrigation and Drainage system.

   1b. I understand that the method of financing is under study and I will review the proposals being studied by water entities, environmental interests, and power users.

Senator Garn

2. Question: Do you support a resolution of the (Utah) Ute Indian Water Rights claim along the lines which were envisioned in a bill introduced by Representative Howard Nielson last year?

   Answer: I believe that the United States bears an obligation to the Ute Indian Tribe of Utah. As soon as I have had the opportunity to assess the magnitude of this obligation, I will be prepared to discuss in detail Representative Nielson's legislation, and any other related legislation which Congress may choose to take up for consideration.

Senator Garn

3. Question: Do you support paving the Burr Trail in Southern Utah?

   a) If so, do you support paving at a modest width in the National Park Sections and areas adjacent to BLM Wilderness Study Areas (WSAs) as well?

   b) Do you see anything in last year's Federal Court and Court of Appeals rulings which would prevent your support of paving the 66 mile road?

   c) Do you share the Court's finding that Garfield County, not the BLM or Park Service, controls the right-of-way over the Burr Trail?

   d) If not, what is your opinion of the Road's status and what Utahns should do with it?

   e) Do you believe the Federal Government's commitment made at the time Capitol Reef National Park and Glen Canyon National Recreation Area were created, to construct a road linking all five of Utah's National Parks, should be kept, and if so, do you share my belief that the Burr trail is the best approach at honoring that commitment?

Answer: At this time, I am not familiar enough with the Burr Trail to comment on last year's court action. I understand, however, that portions of the road will be paved and stabilized to accommodate the increased visitation and use of the park area. I will discuss the road and its role in linking the five national parks in Utah with the National Park Service Director.

Senator Garn

4. Question: The 1990 Interior budget recommends restructuring the method of funding fire fighting on federal lands, through a permanent, indefinite appropriation from O&C and federal mineral revenues, prior to payment of the states' 50% share.

a) Do you support this proposal?

Answer: The firefighting funding proposal in the 1990 Budget consists of two parts. One part would establish a permanent, indefinite account to provide a stable, secure source of funds for the fire fighting and related program needs of the Bureau of Land Management, the Fish and Wildlife Service, the National Park Service, and the Bureau of Indian Affairs. The second part would partially offset the costs of the fire programs by reducing the amount of mineral and timber receipts available for distribution to states and local governments.

The proposal to provide a stable and secure source of funding for fire fighting appears to make a great deal of sense. As stewards of the public's lands, we need to assure adequate protection of these lands from fire. I am concerned, however, about the proposal to partially offset the costs with receipts that would otherwise go to the states and counties. As a Member of Congress I opposed proposals in the past to deduct administrative costs prior to sharing receipts with states and local governments. The Reagan Administration proposal would do much the same thing. I intend to raise this issue with the new Director of the Office of Management and Budget, and with the President if necessary. It may not be feasible to change the nature of the 1990 request to the Congress, but I will pay special attention to this problem as I formulate my 1991 budget request. I note, however, that the ultimate decision on this proposal rests with the Congress.

b) If no, what change will be made in the Budget to resolve this problem?

Answer: See above.

If yes:
c) What is the authority for deductions from states' share of these revenues?

Answer: I understand that there is no authority under current law and that legislation would be necessary..

d) What will prevent Interior from proposing further raids on these state revenues in the future?

Answer: Payments to states and local governments are based in law. In order to make any changes to the method of payment, Congress must enact amendments to those laws.

e) The states' share of federal mineral revenues is predominantly distributed to the education systems and to the counties. Is the Administration prepared to provide substitute funding to those state and county programs?

Answer: I do not believe substitute funding was considered by the Reagan Administration in their proposal.

f) The budget proposal provides for payment in the year in which fire expenses are incurred. Is there any provision for return of those funds to the state in a subsequent year.?

Answer: As I understand the nature of the proposal, reductions in receipts available for distribution are to be based on *estimated* fire program costs and *estimated* receipts. Under the proposal, the difference between the estimated and actual costs and receipts would be carried forward into the calculations for the next year. That way, lower than expected fire costs will result in lower receipt reductions in the following year.

g) Why is there no link between the state(s) where the fires occurred, the cost of the fires, and the states from which money is taken?

Answer: My understanding of the proposal is that the concept is similar to that of insurance. It is difficult to predict exactly where fires will occur each year, the magnitude of those fires, and the costs of suppression. Rather than attempt to make such assessments in advance, the proposal is to spread some of the risk amongst the states, so that, over time, benefits from this program will be widely shared. I would like to review that approach and would be happy to receive your suggestions for a different approach.

Senator Jake Garn

5. Question: In the final days of the last Administration, the Department of the Interior finalized controversial coal valuation regulations which have been under consideration for two years.

   a) Do you support these new coal valuation regulations:

   b) If no, what action will the Department take to resolve the program?

   c) Do you support the reduction in Royalty rates for deep-mined coal from 8% to 5%?

   If yes:
   d) What will prevent these revisions in valuation procedures from being applied to federal oil and gas valuation?

   e) Has the Department determined the impacts of the new valuation procedures on oil and gas royalty revenues to the federal government at to states? What are the financial impacts, on a state-by-state basis?

   f) Is the Department willing to postpone the March 1, 1989 implementation date until further consideration and response can be given to changes in federal minerals valuation? (Note: The Department of Transportation in a recent note to Senator Byrd, has delayed finalizing Essential Air Service Fund Reduction regulations for 60 days for further review.)

   Answer: I am told that these rules were subject to extensive opportunities for public comment and that these issues were controversial. My predecessor believed, in balance, that this approach was appropriate. However, I am receptive to the expressed desire of affected entities to review whether this approach remains appropriate. The controversial and complex nature of this issue warrants an objective review prior to taking a firm position. However, the effective date of the rule may be extended if I am unable to complete this review in a timely fashion.

   At present there are no plans to extend this approach to the oil and gas valuation regulations.

   Regarding the appropriate royalty rate to assess on underground coal, no determination has been made. This issue has been subject to public comment and is currently being analyzed by the Bureau of Land Management. Following that analysis, I will be able to determine a position on the issue.

Senator Garn

6. Question: The Interior Budget, in the Office of Surface Mining budget proposal, reduces appropriations to states for Abandoned Mine Land Reclamation projects by $31.7 million.

a) Do you support the reduction?

b) If no, will the budget proposal be changed to increase appropriations for this essential reclamation work?

If yes:
c) Please provide justification for reduced appropriations, which only delay the states' reclamation of coal mining hazards threatening public health and safety.

Answer: I understand that the Department's past policy with regard to Abandoned Mine Land (AML) State Reclamation grants was to fund State grant reclamation programs at an overall level that could be effectively utilized by the States as evidenced by State obligation rates.

Although I understand that the States have made some progress in reducing the overall level of unobligated funding, the proposed reduction in the 1990 budget request is based on the policy as previously described. When the 1990 budget request is combined with projected unobligated balances, the total amount available to the States in the form of AML grants is expected to be sufficient to meet the States' current obligation rates.

Generally, I support the concept of funding State reclamation grant programs at a level that can be effectively utilized by the States as fiscally prudent. However, I can assure you that as the Office of Surface Mining Reclamation and Enforcement works with the States to continue to improve the grant obligation rates, I will review the amount of funding made available to the States in AML grants in future budget decisions.

Senator Jake Garn

7. Question: In the Fish and Wildlife portion of the Interior Budget, a $100 million cap is placed on grants to states. This has been done despite the fact that the sources of revenues significantly exceed that cap. The Sport Fish Restoration Fund provided $160 million in 1989 and is projected to generate $190 million in 1990. The Wildlife Restoration fund provided $115 million in 1989, with projected revenue of $133 milion in 1990.

a) Do you support the $100 million cap on grants to states?

b) If no, what change do you propose in the 1990 Budget?

c) How do you justify the cap in light of the revenues?

d) How do you propose to expend those additional revenues?

Answer: I strongly support both the the Sport Fish Restoration and Wildlife Restoration Funds. As I mentioned in my response to a similar question asked at my confirmation hearing, I have already raised the issue within this Administration and will do whatever I can to see that the trust maintained over the many years with regard to these programs is continued.

Senator Garn

8. Question: In the 1990 Interior Budget, it is proposed that if the Arctic National Wildlife Refuge (ANWR) is leased, rather than providing 90 percent revenue to the state of Alaska and 10 percent to the Federal Government as previously established, all revenue would go to the Federal Treasury and none to the State.

a) Do you support this proposal?

b) If no, how do you propose to change the Budget proposal?

If yes: c) How do you authorize and justify this change in distribution of revenues?

d) What is to prevent Interior from using this precedent to revise the federal/state share of revenues from other federal lands in the future?

Answer: The suggestion to change the distribution of oil and gas receipts if there is leasing in the Arctic National Wildlife Refuge (ANWR) was in the FY 1990 OMB Passback. This issue is subject to review as are the other elements of the FY 1990 budget. I assure you that ANWR has high priority and will be given very thorough and careful consideration. I will be able to discuss this issue more thoroughly after completion of the review. I know of no plans to extend this concept to other federal lands. Any such initiative would require legislative action by the Congress.

Senator McConnell

1. Question: Mr. Lujan, as I mentioned in my opening statement, I am concerned about the condition of surface mining. While progress was made in the Reagan Administration to relieve regulatory pressure and dual enforcement, it is my feeling that more can be done to alleviate the combative relationship. Would you agree that States are in a better position to carry out primary regulatory enforcement (in line with the concept of Federalism)? In your opinion, what can be done to relax this combative relationship between the coal industry and the regulatory branch?

Answer: In passing the SMCRA, Congress found that the States are in the best position to carry out primary regulatory enforcement. I agree with that finding. Departmental efforts have focused on changes to emphasize and enhance the States' primary regulatory responsibility. Regulatory changes have extended more flexibility to the States in implementing their programs.

I believe that open dialogue at both the Federal and State level has had the greatest impact on decreasing tensions between the coal industry and governmental regulators. To the extent that each has a thorough understanding of the other's problems a constructive approach to solving problems may be developed. I also recognize that some tension will always exist even with improved communication and understanding in the regulatory setting.

Senator McConnell

2. Question: Mr. Lujan, as you are aware, Senator Ford and I worked on legislation last year designed to help the coal industry. Specifically, Senator Ford has been working on the issue of Remining and I am attempting to make changes in the Small Operators Assistance Program (SOAP) in order to create a more realistic and workable program for the small coal operators. We anticipate moving these legislative items again this year. Do you personally have any thoughts on these issues and would you be willing to work with us to see that necessary changes are made? In your experience, are there any additional surface mining issues which it might be helpful for this committee to focus on during the 101st Congress?

Answer: I am aware of legislative initiatives designed to provide incentives to industry to encourage active operations to mine and/or reclaim abandoned sites, and to broaden the scope of the Small Operator Assistance Program to assist small operators in certain areas where they are at a competitive disadvantage. If confirmed, I intend to review all options and where legislative action is deemed necessary, to work closely with members of Congress in finding workable, practical solutions.

The Office of Surface Mining Reclamation and Enforcement (OSMRE) administers and enforces a very complex act that affects many divergent groups. Issues may arise which will require Congressional action to enhance OSMRE's ability to more effectively accomplish the objectives of SMCRA. I look forward to a close working relationship with Congress to address any issue affecting the implementation of SMCRA.

Senator DeConcini

1. Question: Congressman Lujan, as you may know there has been an interest in the divestiture of a number of federal power and water assets in Arizona. I understand that to accomplish any action such as this would require legislation. I would, however, like to know your thoughts on this policy direction in general, and, specifically as it relates to the divestiture of the San Carlos Irrigation project

Answer: As a general policy consideration, I favor divestiture of Federal assets where it will serve the interests of the U.S. Government, the tribes and the private sector.

As to the divestiture of the electric power system associated with the San Carlos Indian Irrigation Project, I support the divestiture concept and will work diligently to resolve the impasse which has occurred relating to specific terms and conditions under which divestiture would occur.

Senator DeConcini

2. Question: What are your thoughts on the cost sharing of federal water projects in general, and, specifically for those previously authorized. Do you support a fixed formula for cost sharing agreements for these water projects, or should they be done on a case by case basis?

Answer: In today's budget environment, beneficiaries should be sharing the financial burden of constructing water projects. However, conditions vary from project to project and therefore need to be considered case by case.

Senator DeConcini

Question 3: What are your thoughts with respect to federal reserved water rights as it relates to Wilderness Areas. As you know, the Attorney General's concurrence with an Interior Department Solicitor's opinion holds that the 1964 Wilderness Act does not create new Federal reserved water rights unless Congress specifically states so in legislation designating units of the national wilderness system. Do you subscribe to the current opinion or do you think the issue of federal reserved water rights relating to wilderness areas should be reexamined?

Answer: The Solicitor's Opinion on wilderness water rights appears to me to be sound and I subscribe to it. As you know, the Attorney General adopted it as the position of the United States. As Secretary, I will undertake a careful review of the issue of wilderness water rights as set out in the Opinion and of the issue of federal reserved water rights in general. I understand the significance of federal reservations of water rights and, as Secretary, I will try to balance the need for water on federal reservations with the disruption with local water supplies caused by those reservations.

I note that the absence of reserved water rights for wilderness areas does not mean that the federal government cannot meet water needs in those areas by other means. The Department of the Interior may secure water by appropriation under state law or may purchase, or otherwise acquire, water rights. In addition, wilderness areas are often designated on other lands such as national parks which already have reserved water rights.

Senator DeConcini

8. Question: Your predecessor feels that legislative solutions are preferable to litigation in resolving outstanding Indian water rights claims and made the negotiation of these settlements a priority. Will you continue this policy? If so, will you make available a negotiating team to work with the concerned parties to resolve these conflicts as Secretary Hodel did?

Answer: Yes, I agree that the idea of negotiated agreements is a sound approach. I will plan to make available negotiating teams to work with the concerned parties.

Senator DeConcini

5. Question: In Arizona, the Bureau of Land Management has undertaken an extensive program in land exchanges to clear up land pattern problems. Do you support this policy and will you continue it?

Answer: I believe that this policy is an important land management tool. I expect continued interest in an active exchange program and support this program as a valuable means of acquiring properties with important public values.

Senator Bradley

I. Question: I understand that you have received a copy of a letter I sent to President-elect Bush on January 9, 1989. I also know you have seen the January 24, 1989 Washington Post editorial entitled "A Question for Mr. Lujan." Both are attached.

A. How do you respond to the issues raised in the letter and the editorial?

B. How does the Department's position of granting a blanket 40-year renewal of existing Central Valley Water contracts -- with no examination of resource impact or alternatives -- comport with the Bureau's proposed "New Direction?"

C. In a December 20, 1988 reply to an inquiry by Congressman George Miller on the CVP contracts, Commissioner Duvall states:

> To the extent that the Secretary has no discretion in the renewal of [these CVP] contracts, the Solicitor concludes that an environmental assessment need not be done. However, the Solicitor cautions that substantial changes in the terms of the contracts proposed for renewal may bring NEPA requirements into play. He points out that beyond the quantity of water to be supplied, the Secretary has considerable discretion to change the terms of the contract.

Frankly, doesn't it seem transparent that the Bureau is opting for a "no changes" approach to contracts in order simply to avoid the NEPA process? Do you disagree? If so, what is your reasoning?

D. A single contract for water from the Friant Unit will expire in 1989. As one who believes that actions, not words, must underscore the Bureau's New Direction, I am deeply concerned that what has been proposed for this small contract is a clarion call for business-as-usual at Bu Rec. Can I count on you to undertake a thorough review of the proposal contract prior to your decision to move ahead and give your approval?

Answer: Let me answer your four part question collectively. I have seen the January 9 letter and the January 24 Washington Post editorial and I appreciate the concerns that have been expressed. Because of these, the matter of renewal of water service contracts in the Friant Unit will be one of the major concerns in my initial period as Secretary. As I understand the situation, there are a number of contracts in that Unit which will expire over the next ten years. On November 10, 1988, the Solicitor issued an opinion concluding that the Bureau of Reclamation was required to renew those contracts with the same quantity of water which was beneficially used under the old contracts. The opinion said that because the Secretary has no discretion in the renewal, he is not required to do a NEPA analysis. The opinion pointed out that the Secretary does have discretion to change some of the terms of the contracts but affirmed the Bureau's conclusion that a simple renewal of the contracts as they existed, with no more than simple administrative or financial changes, fit within a categorical exclusion to the requirements under NEPA for environmental assessments.

It is my further understanding that the Opinion and the proposed renewals are now the subject of a lawsuit and that plaintiffs have requested a preliminary injunction against the Bureau renewing the Orange Cove Irrigation District contract, which is the first to expire on February 28, 1989. Therefore, I am constrained in saying too much about the matters involved in the case. However, I can say that I will review carefully the substance and procedures involved in the proposed renewals and you may be sure that this entire matter will be carefully reviewed within the Department of the Interior prior to any final approval, keeping in mind that the current Orange Cove contract will expire on February 28.

I am strongly committed to protecting and enhancing the Nation's natural resources and NEPA is certainly one tool that we can use to achieve that end. However, I will also carry out fully my responsibilities to water users in the Friant Unit.

Senator Bradley

II. Question: A 1982 Fish and Wildlife Service survey identified more than 7,000 threats to the wildlife habitat of the National Wildlife Refuge System from polluted drainwater, agricultural run-off, toxic waste dumps, and other sources. I note that the Great Swamp National Wildlife Refuge in New Jersey appeared in this review. Will you give high priority to directing the Fish and Wildlife Service to take action to reduce or eliminate these problems?

Answer: You may be sure that I will give high priority to the reduction of pollution and contamination problems not only on National Wildlife Refuge System lands, but also on all public lands under the jurisdiction of the Department of the Interior. Where possible we will identify the source of the pollution and/or polluter and seek their assistance in our cleanup/reclamation efforts.

Senator Bradley

3. Question: Historically the four federal public land management agencies -- the USDA Forest Service and Interior's Bureau of Land Management, National Park Service, and U.S. Fish and Wildlife Service -- have administered their lands as "administrative islands" with little regard for what was happening on adjoining federal lands. Conservation biologists say the only way to protect the fragile biological resources of these lands is through a regional approach -- one that coordinates planning and management of all the public lands in a given region or ecosystem and that protects wildlife movement corridors to permit animals to migrate to find food and avoid inbreeding. Do you think this is a valid concern? How do you plan to respond to it?

Answer: This is a valid concern. We need to do a better job of recognizing regional or ecosystem considerations and addressing them through interagency policies and land use plans as appropriate. If confirmed, I intend to work with the Secretary of Agriculture to assure full coordination with the USDA's Forest Service.

Senator Bradley

IV. Question: The state of the cultural resources of our Nation is, in large part, the responsibility of the National Park Service. As the pressures from increased local development inexorably increase, it seems critical to appoint experienced, professionally qualified leaders to policy and decision making positions.

Your department is unique among all others in its broad cultural and natural resources responsibilities. Do you intend to advance resource protection and give visibility to this concern through the appointment of leaders professionally qualified in the preservation of cultural resources at the assistant secretary level and in the National Park Service?

Answer: I am aware of the broad responsibilities that the Department has with respect to cultural resources, particularly within the National Park Service. I have been informed that well over one-half of the units of the National Park System are primarily historic in character and were designated to protect their premier cultural resources. In addition, the Department is responsible for or involved in the protection of many other historic resources located in the natural and urban parks of the National Park Service, as well as a wealth of archeological sites throughout both the parks and the public lands administered by the Bureau of Land Management.

I understand the Department has many qualified cultural resource professionals in key career positions. It is my intention to see that their concerns receive high visibility and are recognized by the appointments the President and I make at the Assistant Secretary level and in the National Park Service.

Senator Bradley

V. Question: I have been informed that you made comments at today's hearing supportive of last summer's opinion by the Solicitor that concluded Congress did not intend to reserve water rights when it designates wilderness areas.

A. How can a wilderness area exist without sufficient water resources to support the existing wildlife and habitat? How do you as the Secretary intend to protect and sustain those areas without reserved rights?

B. The language in the Wilderness Act to which the Solicitor's opinion alludes appears in many other statutes, does it not? What are the effects of this opinion on wild and scenic rivers and wildlife refuges, for instance? How do you plan on protecting these areas for current and future generations?

Answer: The Solicitor's Opinion on wilderness water rights appears to be sound. As you know, the Attorney General adopted it as the position of the United States. As Secretary, I will undertake a careful review of the issue of wilderness water rights as set out in the Opinion and of the issue of federal reserved water rights in general. I understand the significance of federal reservations of water rights and, as Secretary, I will try to balance the need for water on federal reservations with the disruption with local water supplies caused by those reservations.

The absence of reserved water rights for wilderness areas does not mean that the federal government cannot meet water needs in those areas by other means. The Department of the Interior may secure water by appropriation under state law or may purchase, or otherwise acquire, water rights. In addition, wilderness areas are often designated on other lands such as national parks which already have implied reservations of water rights.

The same or similar language to that which appeared in the Wilderness Act and which was relied upon by the Solicitor in his conclusion also appears in other acts, such as the Wild and Scenic Rivers Act and the Refuge Act. The Solicitor's Opinion cautioned against interpreting that language in the same manner for different statutes with different legislative histories and purposes. Nonetheless, even if a reserved right doesn't exist under these acts, the Department still has the means available to secure rights under state law by appropriation or purchase. This is an issue which I will review carefully as Secretary.

Senator Bradley

VI. Question: As you may know, the New Jersey coastline has been under enormous environmental pressure. During the last 2 years, various events have resulted in negative publicity for the shore which had extremely harmful economic effects on the local communities. In many cases, the economic harm was more due to general press accounts than to actual environmental hazards.

In the early 1980's, the Department last proposed lease sales off New Jersey's coastline. At that time, I opposed certain leases because of the possibly disastrous consequences of development, and the Congress agreed. Has Interior further reviewed the environmental impacts of leasing so as to counter the arguments which were accepted by the Congress? I understand that Interior officials are now contemplating oil and gas lease sales off the New Jersey shore. I would urge you to avoid such action. Doesn't the recent history of the New Jersey shore add to the rationale for withholding these leases? Will Department officials consider the negative economic as well as environmental effects on coastal communities in my State prior to any decision to proceed? Won't any decision to move ahead further harm this embattled, yet beautiful area?

Answer: The oil and gas leasing program intends to balance our country's energy needs with the protection of the environment and as I have stated, we do not intend to lease in environmentally sensitive areas. I have been informed that the area off New Jersey is gas prone rather than oil prone--a fact that greatly reduces the environmental risk. The Department has had 5 sales in the Mid-Atlantic area and over 30 wells have been drilled in the area without incident.

The Department's scientific staff is continually gathering and assessing information relative to the impact of oil and gas activities on the environment. I have been informed that the Department is currently preparing a draft EIS on lease sale 121, Mid-Atlantic. This EIS updates previous environmental impact analyses and also describes the economic impact on coastal communities. No decision has been made to "move ahead" with leasing. The Department's leasing process for previous lease sales has solicited New Jersey's review and comment on area identification, EIS review, and the proposed notice of sale. Your State has been an active participant in the Department's program, and I intend to continue that good relationship in the future.

I plan to consider all significant information which would impact leasing the OCS environment or coastal states prior to making leasing decisions. I hope we will be able to identify an approach that enables one to accomplish the mandate of the OCSLA in a manner acceptable to adjoining coastal states.

Senator Bradley

7. Question: Are you familiar with the investigations by the Department of Interior Inspector General of the Bureau of Reclamation? I note that the October 1988 Semi-annual Report identified $2.1 billion in construction costs that are not likely to be recovered due to basic financial mismanagement, $1.2 billion in unauthorized construction expenditures, questioned and disallowed costs totaling 91% of almost $80 million in audited project billings, etc. How do you propose to address management deficiencies at the Bureau?

Answer: I have not had an opportunity to become familiar with the investigations you mention conducted by the Inspector General. If the amount of construction costs unrecovered due to mismanagement indeed reflects the figures in the Inspector General's report, then obviously the management deficiencies which resulted in this must be rectified and I will deal with them accordingly.

Appendix III

Additional Material Submitted for the Record

STATEMENT BY SENATOR BILL BRADLEY
ON THE NOMINATION OF
MANUEL LUJAN, JR.
TO BE SECRETARY OF THE DEPARTMENT OF INTERIOR
FEBRUARY 1, 1989

MR. CHAIRMAN, today we will vote on the nomination of Congressman Lujan to be Secretary of the Interior. I have little doubt that his nomination will be voted on quickly and affirmatively and I am prepared to give him my support.

Last Thursday, I forwarded to the Secretary-designate a number of questions on issues important to me. I am pleased with the efforts made by Mr. Lujan to reply quickly to the questions posed. However, certain of his answers have raised serious concerns. I will not further delay the nomination proceedings, but I intend to pursue these issues with him and the Department of Interior.

Specifically, I asked Mr. Lujan to elaborate his views on the claims of designated wilderness areas to federally reserved water supplies. Mr. Lujan responded that he generally agreed with the Interior Department's recent decision not to pursue reserved water claims for wilderness areas.

In itself, this comment gives me some dismay -- it's hard to envisage that Congress ever intended to allow the dewatering of national wilderness areas. However, I am likewise concerned by the implications of Mr. Lujan's response that the federal government is able to meet wilderness water needs by other means, as the government "may secure water by appropriation under state law or may purchase, or otherwise acquire, water rights."

First, does this imply that the Department will now actually seek to protect wilderness area water supplies by some alternative plan? The Secretary-designate is non-committal. And, while I would like to give the Department of Interior the benefit of the doubt, I am skeptical that the Department will ever commit the necessary funds and manpower to achieve this result.

Second, it is my understanding that some states do not grant or value water rights for what is needed to protect wilderness -- notably, minimum instream flows or sufficient seasonal water supplies to protect essential ecosystems. If states don't deem the use of water to protect wildlife a priority, the Department of Interior may face an impossible task, even if it earnestly decides to pursue an alternative plan of action.

Lastly, I am deeply concerned that Mr. Lujan created further ambiguity with regards to the rights of Wild and Scenic Rivers and National Wildlife Refuges to federally reserved water.

I do not intend to obstruct the progress of Mr. Lujan's nomination. The Secretary-designate, frankly, seems to be a capable and sincere man. However, the Department of Interior and its Secretary are stewards to our federal lands, a national heritage intended to serve a variety of purposes. I will hold this Administration to the highest standards of management, which the public trust demands.

I note that Mr. Lujan says he will review these issues as Secretary. I urge him to do so promptly. I am hopeful that, given a hard look, Mr. Lujan will reach new conclusions.

FRANCISCO R. SANTOS
SENATOR

Twentieth Guam Legislature
163 Chalan Santo Papa St.
Agana, Guam U.S.A. 96910

CHAIRMAN
Committee on Federal, Foreign
& Legal Affairs

VICE-CHAIRMAN
Committee on Judiciary
& Criminal Justice

TESTIMONY

OF

SENATOR FRANCISCO R. SANTOS
Twentieth Guam Legislature
CHAIRMAN
COMMITTEE ON FEDERAL, FOREIGN AND LEGAL AFFAIRS

VICE-CHAIRMAN
GUAM COMMISSION ON SELF-DETERMINATION

IN BEHALF OF

THE APPOINTMENT AND CONFIRMATION

OF

THE HONORABLE MANUEL LUJAN, JR.

AS

SECRETARY OF THE INTERIOR

JANUARY 19, 1989

before the

COMMITTEE ON ENERGY AND NATURAL RESOURCES

SENATE OF THE UNITED STATES

THE HONORABLE J. BENNETT JOHNSON
CHAIRMAN

MR. CHAIRMAN and HONORABLE SENATORS, MEMBERS OF THIS MOST AUGUST COMMITEE ON ENERGY AND NATURAL RESOURCES:

As Chairman of the Twentieth Guam Legislature's Committee on Federal, Foreign and Legal Affairs, the legislative committee with oversight responsibility on matters relating with the Government of the United States, and as Vice Chairman of Guam's Commission on Self-Determination, that body mandated by the people of Guam to pursue the passage of Guam's Draft Commonwealth Act, I come before this Committee to provide testimony in behalf and in favor of the confirmation of the Honorable Manuel Lujan, Jr. as the Secretary of the Interior.

Since the meeting in Albuquercue, New Mexico, the meeting called to discuss the approach Guam would take in its quest to improve its political relationship with the United States, I have come to know and highly respect Mr. Lujan for various reasons and to hold the highest esteem and respect for this gentleman as a statesman, diplomat and true advocate of those sacred principles of the inalienable rights of all men to freedom of choice. In those meetings, as well as, subsequent occasions where I had the privilege and honor to discuss the desires of the people of Guam in their quest for commonwealth, I have experienced the sense of integrity, dignity, sense of fairness and justice that characterizes Mr. Lujan.

At the present time, the Department of the Interior is coordinating a Federal Interagency Task Force which is discussing the issues raised by Guam's Draft Commonwealth Act. The work of this Task Force will be critical in the on going process which Guam's design and desire for improved relations with the United States must go through and complete. I have extremely high confidence and trust in Mr. Lujan's ability, desire and stated intent to see that this process is addressed adequately and efficiently for the benefit of all concerned. Similarly, I maintain high confidence in Mr. Lujan's ability to provide the leadership and oversight within the Department of Interior in its on going and current dealings with Guam and the other off-shore territories of the United States.

Whereas the relationship between Guam and the Department of the Interior has previously been characterized by mistrust on the part of many on Guam, mistrust to the point where there has been a lack of meaningful dialogue and meaningful productivity, I am confident that under the stewardship of Mr. Lujan meaningful dialogue so necessary for productivity will be established and the mistrust will be replced by confidence and understanding. In his last visit to Guam, Mr. Lujan was very well received; not only by government officials but by everyday people who had the pleasure and honor of joining the Secretary-Designate at a fiesta in his honor. Mr. Lujan's candor, his "down to earth" openness and his ability to relate to ordinary people earned him the respect, admiration and acceptance of many.

I state, again, that without reservation, I am of the opinion that Mr. Manuel Lujan, Jr. will be a Secretary of the Interior that all of the American people can be proud of, place their full confidence in and be assured that the needs, desires and demands of all matters under the oversight of the Department of the Interior will be well attended and managed for the greater good of all. His stewardship of Interior will undoubtedly bring many benefits to all who are affected by the decisions and programs of this most important department.

Before I close, I would like to express, in behalf of the people of Guam, a most sincere SI YU'OS MA'ASE, a heartfelt thank you to the Most Honorable President of the United States, George Bush for recognizing the needs of not only minorities, but more specifically, the needs of the off-shore territories and Mr. Lujan's advocacy of this group of people. I would also like to extend, for many of the same reasons, a sincere SI YU'OS MA'ASE to this august Committee and to its Honorable Chairman for expediting and without hesitation, calling this confirmation hearing. This will well serve as a signal to the peoples of the off-shore territories, as well as, other people and areas affected by the Department of the Interior that this Committee fully recognizes the importance of the responsibilities of the Secretary of the Interior and the Department of the Interior. From everyone on Guam and in the Pacific a very sincere SI YU'OS MA'ASE.

I thank you sincerely for permitting this testimony in behalf of a great American and a great advocate of the people of Guam.

The Peregrine Fund, Inc.
World Center for Birds of Prey

for the study and preservation of falcons and other birds of prey

Cotrain

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February 13, 1989

Nancy Blush
Energy and Natural Resources Committee
364 Dirksen Building
Washington, D.C. 20510-6150

Dear Ms. Blush:

William Burnham, President of The Peregrine Fund, Inc., submitted a letter in support of Manuel Lujan, Jr. for confirmation as Secretary of the Interior. The letter was dictated to me by telephone and I misspelled Mr. Lujan's name. Since Dr. Burnham requested that the letter be made part of the hearing record I wondered if you could substitute this copy of the letter which has his name spelled correctly for the version I sent with the incorrect spelling. Nothing has been changed except for the spelling of the name.

Thank you for your help with this.

Sincerely yours,

Pat Burnham

Patricia Burnham
Administrator
The Peregrine Fund, Inc.

pwb

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The Peregrine Fund, Inc.
World Center for Birds of Prey
for the study and preservation of falcons and other birds of prey

January 24, 1989

The Honorable J. Bennett Johnston
U. S. Senate
136 Hart Building
Washington, DC 20510

Re: Confirmation, Secretary of the Interior Designate Manuel Lujan, Jr.

Dear Senator Johnston:

The Peregrine Fund is a non-profit conservation organization created in 1970 at Cornell University by then-professor Tom J. Cade. In 1984 we consolidated the Cornell and a second facility in Colorado to our new headquarters, the World Center for Birds of Prey, in Boise, Idaho. We are well known for our pioneering efforts with endangered birds of prey, and especially the Peregrine Falcon. Working cooperatively with government and the private sector, we have captively bred and released over 2600 Peregrine Falcons in 28 states, causing a re-establishment of the species in many areas. Lands managed by the government for the public have been critical to the effort. We also work internationally to preserve birds of prey, wildlife, and biodiversity, having cooperated on projects in 34 countries on 6 continents. One community level project is focused on research in the Neotropics in Guatemala, Belize, and Mexico. As you know, most migratory species nesting in the United States spend more than half of their lives in these and other countries of Latin America. Loss of tropical forests and use of chemicals in the environment affect not only our wildlife, but health, and even the weather. Preservation of wildlife and the environment is an international problem and solutions require understanding, concern, and effective action, not volumes of regulations and armchair quarterbacking from Washington. Also, cooperation between governments, organizations, and individuals, especially between the United States and Latin American countries, is critical. We need capable, experienced leadership in the Department of the Interior who can work effectively nationally and internationally.

Secretary of the Interior Designate Manuel Lujan, Jr. comes with the unique background to deal with these problems. Having his home in New Mexico, he has an extensive knowledge and understanding of issues associated with public lands. His political background helps make him sensitive to the

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concern of Americans while having a broad knowledge of many issues and government. Critical to current problems associated with maintaining biodiversity and tropical forests is his ability to speak fluent Spanish and his Hispanic background which he shares with our Latin American neighbors. Therefore, we look forward to and appreciate the opportunity of working with Mr. Lujan, and urge and support his confirmation.

We would appreciate having this letter be made part of the hearing record.

Sincerely yours,

William Burnham

William Burnham, Ph.D.
President
The Peregrine Fund, Inc.

WAB/pkw

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